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# BUDGET ESTIMATES

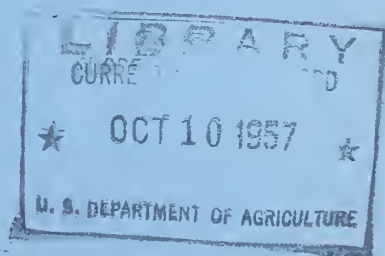
FOR THE

## UNITED STATES

### DEPARTMENT OF AGRICULTURE

FOR THE FISCAL YEAR ENDING

JUNE 30, 1957



A SEPARATE FROM THE BUDGET OF  
THE UNITED STATES GOVERNMENT  
1957





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FOR THE  
UNITED STATES  
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A Separate from the Budget of the United States Government  
1957



UNITED STATES  
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## INTRODUCTION TO PART I

Part I of the budget (pp. A1 to A13) contains seven summary tables on Federal funds and on the public debt. Each of these tables is designed to bring together in 1 or 2 pages some overall aspect of the Federal budget.

### TYPES OF FEDERAL FUNDS

The Federal (Government-owned) funds are of four types as follows:

The *general* fund is credited with receipts which are not earmarked by law for a specific purpose, and is charged with expenditures that are payable from appropriations (except appropriations of earmarked receipts) and those payable from borrowing. Both in number of items and in amounts, most of the Government's business is transacted through the general fund.

*Special* funds are those which are established to account for receipts that are earmarked by law for a specific purpose. They exclude the funds which carry on a cycle of operations for which there is continuing authority to use the receipts (as described in the next paragraph). Some special funds are subject to annual appropriation by Congress. Others are automatically available under the laws which created the funds.

*Revolving* funds are those which finance a cycle of operations, in which the expenditures generate receipts which are available for continuing use. They are divided into two subcategories—those with receipts primarily from outside the Government are called *public enterprise* funds, and those with receipts primarily from inside the Government are called *intragovernmental* funds. The former include nearly all of the Government corporations, the postal fund, and various unincorporated enterprises. The latter include various funds for stocking of supplies, for printing operations, and for the performance of services to meet the Government's own needs.

*Management* funds (including *consolidated working* funds) are those which are created to permit the pooling of advance payments from two or more appropriations to carry out certain activities.

### BUDGET SURPLUS, DEFICIT, AND PUBLIC DEBT

*Budget surplus and deficit.*—The budget surplus or deficit, shown in table 1, represents the difference between the *net budget receipts* and *net budget expenditures* of a given year. Cash balances, appropriation balances, and surpluses and deficits of previous years are not a part of the calculation.

*The public debt.*—Table 4 gives details regarding the effect of each year's operations upon the public debt. The budget surplus or deficit is not the only factor which causes a change in the public debt. The amount necessary to borrow or possibly to repay is also influenced by: Changes in cash balances, the result of trust fund transactions, the use of Government corporation borrowing directly from the public as a means of financing budget expenditures of the corporations (and the repayments of such borrowing as an application of public enterprise fund receipts), and the change in the amount of checks outstanding and other items in process of clearance through the accounts.

### BUDGET RECEIPTS AND EXPENDITURES

*Basis of stating budget receipts.*—Table 1 includes a summary of budget receipts. Such receipts include all

money paid into the Treasury to the credit of the general fund and of special funds. Budget receipts never include money obtained from borrowing. Nor do budget receipts include receipts of revolving and management funds, since these receipts are deducted from their expenditures. *Gross budget receipts* represent the total received for the general and special funds. In those cases where the law provides an indefinite appropriation to a trust fund in an amount equal to certain tax receipts (the old-age and survivors insurance trust fund and the railroad retirement account), the amount thereof is shown as a deduction from gross receipts. Refunds of receipts are also deducted in arriving at *net budget receipts*.

Internal revenue and customs receipts are stated on the basis of collections reported by collecting officers. Other receipts are reported on the basis of confirmed deposits.

*Basis of stating budget expenditures.*—Tables 1, 2, 5, and 7 include information on budget expenditures. Such expenditures cover the general fund, the special funds, and the revolving and management funds. In some tables expenditures are stated on a *gross* as well as a *net* basis. The difference between these two bases is in the group of public enterprise funds. For such funds, the gross basis covers the total sums expended, while the net basis consists of the expenditures less the receipts of such funds. (Like budget receipts, public enterprise fund receipts never include money obtained from borrowing.) The gross figures used here for the public enterprise funds are derived from the business-type budget statements of part II, which show expenditures and receipts on an accrual basis with a single adjustment (on either the expenditure or receipt side but not both) for the conversion from an accrual to a checks-issued basis. Therefore, the gross figures used for such funds are not strictly on a checks-issued basis, although the net result is on such a basis.

The *checks-issued* basis of stating expenditures, which is used regularly for net expenditures of the public enterprise funds and for the expenditures of all other fund groups, means that expenditures are reported for the fiscal year in which the checks are issued, regardless of when the obligation was incurred or the goods and services received. Modifications in this basis are made as follows: (a) Where payment is made in cash instead of by check, the cash payments are an expenditure; (b) where payment is made by the issuance of bonds or by an increase in their redemption value, instead of by the issuance of checks, the bond issuance is an expenditure; and (c) interest on the public debt, other than increases in the redemption values of savings bonds, is reported on an accrual basis. Inter-agency payments and reimbursements, including those going into intragovernmental revolving and management funds are netted; that is, to avoid double counting they are treated only as expenditures of the agency whose appropriation or fund is ultimately bearing the charge. Some incidental reimbursements from outside the Government are similarly netted out of all expenditure figures.

Retirement of Government debt, both direct debt and Government corporation debt, is always excluded from budget expenditure figures. Similarly, the investments in United States Government securities (which occur sometimes in the case of Government corporations) are excluded from the expenditure figures.

*Eliminations from both receipts and expenditures.*—Certain payments from one fund to another are eliminated



from budget receipts and expenditures. This is done to avoid inflating both sides of the budget. Payments to the general fund of earnings and dividends on capital of revolving funds, and the return of such capital to the general fund are the items so excluded.

#### BUDGET AUTHORIZATIONS

Table 3 summarizes the budget authorizations available and their disposition. Table 5 gives a breakdown by agency of the new authorizations becoming available each year, and table 7 gives supplementary information on the balances at start and end of the year.

*The obligation basis.*—Expenditures can be made only pursuant to appropriations or other authorizations granted by Congress. Government agencies are generally permitted by law to incur obligations requiring the future payment of money only when they have an appropriation or other authorization available for the purpose. Therefore, authorizations are enacted to cover *obligations* expected to be incurred within the fiscal year rather than to cover only the *expenditures* which are expected to be made during that year in payment of obligations.

*Distinction between permanent and current authorizations.*—Tables 3 and 5 distinguish *permanent* authorizations and *current* authorizations. The permanent items are those under which additional sums become available from time to time under action previously taken by the Congress; no further action is required each year. Most permanent authorizations are in force until repealed; a few are in effect for only a few years as specified in the law. The current authorizations are those enacted by Congress in or immediately preceding each fiscal year.

*Balances.*—Many budget authorizations are available for obligation for only 1 year, but some are available for longer periods of time. Even those which expire for obligation at the end of 1 year remain available for making expenditures in payment of such obligations for an additional 2 years, and further expenditures can be made later in payment of such obligations from the *certified claims* account of the Treasury. In the case of salaries and wages, travel, and like items, the lag between obligations and expenditures is usually no more than a few weeks or a few months. In the case of construction, major procurement, certain research contracts and similar items, the lag between obligations and expenditures may be as much as 1 or 2 years, and sometimes is even longer. For some revolving funds and certain other purposes, Congress has granted obligational authority well in advance of specific requirements, as a means of providing for contingencies which may arise. As a result of the foregoing factors, substantial balances of budget authorizations are carried forward from one year to the next. Such balances are not in the form of cash, but are bookkeeping authority for the incurring of obligations or the making of expenditures, for which cash must be provided through channels of financial management at the time the expenditures occur.

*Relating expenditures to authorizations.*—Tables 3 and 6 summarize the relationship between budget authorizations and budget expenditures. Because old and new authorizations are by law commingled in some of the accounts, no attempt is made in the summary figures to separate actual spending in 1955 between the use of new authorizations and the use of balances. However, the budget presents such a breakdown on an estimated basis for 1956 and 1957. In the case of revolving and management funds, it assumes that the portion of their expendi-

tures chargeable to budget authorizations is equal to the portion of the authorizations credited to the revolving fund during the year. The remainder of the revolving and management fund expenditures (or negative expenditures) are here classified as being charges or credits to balances of such funds.

#### TYPES OF NEW OBLIGATIONAL AUTHORITY

*Appropriations* are authorizations to make expenditures from the general fund of the Treasury or from the various special funds. In some cases the authority to incur obligations has previously been granted in the form of contract authorizations; in such cases, the appropriation to permit the payment of such obligations is said to be to *liquidate contract authorizations*. In all other cases appropriations confer authority both to incur new obligations and to pay for them.

*Contract authorizations* are authorizations to incur obligations prior to the enactment of an appropriation. A contract authorization does not in itself permit the spending of money; hence it must be followed by an appropriation to permit payment of the contracts and other obligations thus incurred.

*Authorizations to expend from debt receipts* are authorizations to make expenditures from borrowed money. Such authorizations may take these forms: (a) Authorizations for the Treasury to make public debt receipts available to a given agency or enterprise, often in exchange for notes of the enterprise; (b) authorizations for a Government-owned corporation to borrow directly from the public; and (c) cancellation of notes which have been issued by a Government enterprise and are held by the Treasury, where the cancellation has the effect of permitting further expenditures to be made (through restoring previously used authority to borrow from the Treasury).

*Reappropriations* and *reauthorizations* are actions to continue available part or all of the unused balances of prior appropriations or authorizations which would otherwise expire. When the authorizations thus continued had been previously granted for current operations of the year, the continuation of their availability into a new year constitutes new obligational authority.

*Total new obligational authority* shown in table 3 is the sum of the various types of authorizations named above, less the portion of appropriations which is for liquidation of prior contract authorizations. This total represents the new authority becoming available in any given year for the purposes of making commitments.

#### PROPOSED LEGISLATION AND OTHER ITEMS FOR LATER TRANSMISSION

Tables 1, 2, 3, and 4 identify by separate columns the estimates of receipts, authorizations, and expenditures under legislative proposals recommended by the President, and other supplemental authorizations, and expenditures therefrom, which it is expected will be transmitted later. Table 6 identifies such items in a separate subsection. Such estimates include, in addition to the various supplemental estimates which are identified in part II, an allowance for items which cannot be foreseen now but which will be transmitted later when definite amounts can be determined and the needs can be more specifically identified. Congressional action upon this allowance will be requested later, not at a single time nor as a single lump-sum item, but in the form of a number of specific appropriations for individual items.

TABLE 1  
SUMMARY OF BUDGET RECEIPTS AND EXPENDITURES

*Based on existing and proposed legislation*

[In millions]

Description	1955 actual	1956 estimate			1957 estimate		
		Under exist- ing laws and authorizations enacted or recommended	Proposed for later trans- mission	Total	Under exist- ing laws and authorizations enacted or recommended	Proposed for later trans- mission	Total
<b>BUDGET RECEIPTS</b> (see special analysis B):							
Individual income taxes.....	\$31, 650	\$33, 555		\$33, 555	\$35, 118		\$35, 118
Corporation income and excess profits taxes.....	18, 265	20, 300		20, 300	19, 080	\$1, 220	20, 300
Excise taxes.....	9, 211	9, 689	\$205	9, 894	8, 960	927	9, 887
Employment taxes.....	6, 220	7, 420		7, 420	7, 585		7, 585
Estate and gift taxes.....	936	1, 025		1, 025	1, 120		1, 120
Customs.....	606	690		690	700		700
Miscellaneous receipts <sup>1</sup> .....	2, 566	2, 505		2, 505	2, 805		2, 805
Subtotal.....	69, 454	75, 184	205	75, 389	75, 368	2, 147	77, 515
Deduct—							
Transfer to Federal old-age and survivors insurance trust fund.....	5, 040	6, 475		6, 475	6, 635		6, 635
Transfer to railroad retirement trust fund.....	599	625		625	660		660
Refunds of receipts.....	3, 426	3, 789		3, 789	4, 051	— 131	3, 920
Net budget receipts.....	60, 390	64, 295	205	64, 500	64, 022	2, 278	66, 300
<b>BUDGET EXPENDITURES</b> (see special analysis C):							
Major national security.....	41, 124	39, 737		39, 737	40, 031	644	40, 674
International affairs and finance.....	2, 514	2, 490	8	2, 497	1, 996	596	2, 591
Veterans' services and benefits.....	4, 496	4, 633	206	4, 839	4, 902	32	4, 934
Labor and welfare.....	2, 554	2, 666	103	2, 769	2, 592	405	2, 997
Agriculture and agricultural resources.....	9, 324	8, 562	13	8, 575	8, 644	426	9, 070
Natural resources.....	1, 304	1, 248	53	1, 302	1, 249	48	1, 297
Commerce and housing.....	6, 139	6, 105	154	6, 259	6, 601	<sup>d</sup> 302	6, 299
General government.....	1, 204	1, 545	69	1, 614	1, 744	17	1, 760
Interest.....	6, 438	6, 875		6, 875	7, 066		7, 066
Reserve for contingencies.....			100	100		225	225
Gross budget expenditures.....	75, 097	73, 862	705	74, 567	74, 825	2, 089	76, 914
Deduct applicable receipts (see table on p. M21).....	10, 527	10, 298		10, 298	11, 049		11, 049
Net budget expenditures.....	64, 570	63, 565	705	64, 270	63, 776	2, 089	65, 865
Budget surplus (+) or deficit (—).....	— 4, 180			+ 230			+ 435

<sup>d</sup> Deduct, includes proposed postal rate increase of 350 million dollars.

<sup>1</sup> Includes internal revenue not otherwise classified.



TABLE 2  
SUMMARY OF NET BUDGET EXPENDITURES  
BY FUNCTION AND AGENCY

Based on existing and proposed legislation

[In millions]

Description	1955 actual	1956 estimate			1957 estimate		
		Under authorizations already enacted	Proposed for later transmission	Total	Under authorizations enacted or recommended in this document	Proposed for later transmission	Total
BY FUNCTION							
Major national security.....	\$40, 626	\$39, 467		\$39, 467	\$39, 726	\$644	\$40, 370
International affairs and finance.....	2, 181	2, 046		2, 053	1, 512	596	2, 108
Veterans' services and benefits.....	4, 457	4, 587	206	4, 793	4, 847	32	4, 879
Labor and welfare.....	2, 552	2, 664	103	2, 767	2, 590	405	2, 995
Agriculture and agricultural resources.....	4, 411	3, 364	13	3, 376	2, 938	426	3, 364
Natural resources.....	1, 081	992	53	1, 045	983	48	1, 031
Commerce and housing.....	1, 622	2, 029	154	2, 182	2, 374	<sup>a</sup> 302	2, 071
General government.....	1, 201	1, 542	69	1, 611	1, 740	17	1, 757
Interest.....	6, 438	6, 875		6, 875	7, 066		7, 066
Reserve for contingencies.....			100	100		225	225
Net budget expenditures.....	64, 570	63, 565	705	64, 270	63, 776	2, 089	65, 865
BY AGENCY							
Legislative branch.....	65	89	9	98	123	( <sup>b</sup> )	123
The judiciary.....	30	36	1	37	41	( <sup>b</sup> )	41
Executive Office of the President.....	9	10	( <sup>b</sup> )	10	10	( <sup>b</sup> )	10
Funds appropriated to the President.....	4, 381	4, 462		4, 462	3, 359	994	4, 353
Independent offices:							
Atomic Energy Commission.....	1, 857	1, 715		1, 715	1, 906	40	1, 946
Veterans Administration.....	4, 405	4, 526	206	4, 732	4, 788	32	4, 820
Other.....	504	656	15	671	658	48	706
General Services Administration.....	973	653	5	658	555	( <sup>b</sup> )	556
Housing and Home Finance Agency.....	153	14	5	19	<sup>a</sup> 93	26	<sup>a</sup> 67
Department of Agriculture.....	4, 636	3, 630	22	3, 653	3, 231	430	3, 661
Department of Commerce.....	1, 077	1, 153	146	1, 298	1, 412	16	1, 428
Department of Defense—Military Functions.....	35, 532	34, 575		34, 575	35, 347	200	35, 547
Department of Defense—Civil Functions.....	548	567	35	602	618	11	629
Department of Health, Education, and Welfare.....	1, 993	2, 039	93	2, 132	1, 914	389	2, 303
Department of the Interior.....	515	547	10	557	599	17	616
Department of Justice.....	182	207	12	219	217	( <sup>b</sup> )	218
Department of Labor.....	394	444	15	459	490	2	492
Post Office Department.....	356	483		483	467	<sup>a</sup> 350	117
Department of State.....	137	148	6	154	161	5	167
Treasury Department.....	6, 800	7, 587	24	7, 611	7, 941	1	7, 942
District of Columbia (general fund).....	22	23	2	25	31	2	33
Reserve for contingencies.....			100	100		225	225
Net budget expenditures.....	64, 570	63, 565	705	64, 270	63, 776	2, 089	65, 865

<sup>a</sup> Deduct, excess of repayments and collections over expenditures.

<sup>b</sup> Less than one-half million dollars.

<sup>d</sup> Deduct, includes proposed postal rate increase of 350 million dollars.



TABLE 3  
SUMMARY OF BUDGET AUTHORIZATIONS AND THEIR DISPOSITION

*Based on existing and proposed legislation*

[In millions]

		1956			1957		
	1955 enacted	Enacted	Proposed for later trans- mission	Total	Recommended in this document	Proposed for later trans- mission	Total
BUDGET AUTHORIZATIONS AVAILABLE							
New obligational authority (see table 5):							
Current authorizations:							
Appropriations-----	\$45, 774	\$50, 023	\$855	\$50, 877	\$50, 302	\$7, 451	\$57, 753
Portion of appropriations to liquidate contract authorizations (—)-----	— 732	— 839	— 104	— 943	— 984	-----	— 984
Authorizations to expend from debt receipts-----	3, 022	3, 076	5	3, 081	359	284	643
Contract authorizations-----	53	39	10	49	1	898	898
Reappropriations-----	1, 207	413	-----	413	20	-----	20
Permanent authorizations:							
Appropriations-----	6, 819	7, 303	-----	7, 303	7, 565	-----	7, 565
Authorizations to expend from debt receipts-----	25	53	-----	53	122	-----	122
Contract authorizations-----	908	1, 150	-----	1, 150	273	-----	273
Total new obligational authority-----	57, 076	61, 219	766	61, 984	57, 659	8, 632	66, 291
Balances brought forward at start of year <sup>1</sup> (see table 7):							
Appropriations-----	67, 751	52, 096	-----	52, 096	47, 442	152	47, 594
Authorizations to expend from debt receipts-----	21, 117	19, 563	-----	19, 563	19, 772	2	19, 774
Contract authorizations-----	2, 477	2, 613	-----	2, 613	2, 823	10	2, 833
Revolving and management funds (including U. S. Government securities held)-----	2, 898	5, 383	-----	5, 383	4, 373	-----	4, 373
Other amounts available:							
Adjustment of balances upward for claims, etc. (net)-----	120	21	104	125	* 593	743	150
Authorizations to expend from appropriations of subsequent year-----	333	404	-----	404	379	-----	379
Authorizations made available in prior year (—)-----	— 3, 268	— 333	-----	— 333	— 404	-----	— 404
Total budget authorizations available-----	148, 504	140, 966	870	141, 835	131, 451	9, 540	140, 990
EXPENDITURES AND BALANCES							
Expenditures in the year (net) (see table 6):							
Out of new obligational authority-----	64, 570	38, 870	601	39, 471	40, 700	2, 011	42, 711
Out of appropriations to liquidate contract authorizations-----		806	104	910	982	-----	982
Out of authorizations to expend from subsequent year appropriations-----		151	-----	151	138	-----	138
Out of balances of prior expenditure authoriza- tions-----		25, 170	-----	25, 170	23, 497	78	23, 575
Out of balances of revolving and management funds-----		* 1, 432	-----	* 1, 432	* 1, 540	-----	* 1, 540
Total expenditures in the year (net)-----	64, 570	63, 565	705	64, 270	63, 776	2, 089	65, 865
Balances no longer available-----	4, 279	2, 991	-----	2, 991	1, 419	-----	1, 419
Balances carried forward at end of year <sup>1</sup> (see table 7):							
Appropriations-----	52, 096	47, 442	152	47, 594	40, 968	5, 811	46, 779
Authorizations to expend from debt receipts-----	19, 563	19, 772	2	19, 774	18, 040	733	18, 773
Contract authorizations-----	2, 613	2, 823	10	2, 833	2, 045	908	2, 952
Revolving and management funds (including U. S. Government securities held)-----	5, 383	4, 373	-----	4, 373	5, 200	-----	5, 200
Total expenditures and balances (net)-----	148, 504	140, 966	870	141, 835	131, 451	9, 540	140, 990

\* Deduct.

<sup>1</sup> Balances forwarded are divided as follows: Obligated—July 1, 1954, \$48,938; 1955, \$37,834; 1956, \$40,897; 1957, \$45,586; and unobligated—July 1, 1954, \$45,305; 1955, \$41,821; 1956, \$33,676; 1957, \$28,118.

TABLE 4

## EFFECT OF FINANCIAL OPERATIONS ON CASH BALANCES AND THE PUBLIC DEBT

Based on existing and proposed legislation

[In millions]

Description	1955 actual	1956 estimate	1957 estimate
<b>Effect of operations on cash position:</b>			
Budget surplus or deficit (—) (from table 1)-----	—\$4, 180	\$230	\$435
Excess of trust receipts over expenditures (from table 8)-----	990	2, 059	1, 691
Issue or redemption (—) of debt of Government enterprises to the public (from special analysis K)-----	602	211	242
Increase or decrease (—) in clearing account for outstanding checks-----	—29	—18	23
Subtotal-----	—2, 617	2, 482	2, 391
<b>Effect of investments of certain accounts:</b>			
Increase in Government securities held by Government trust funds (—) (from special analysis K)-----	—1, 236	—2, 516	—1, 777
Increase in Government securities held by public enterprise funds (—) (from special analysis K)-----	—126	—91	—113
Subtotal-----	—1, 361	—2, 607	—1, 891
Total, all factors affecting cash balance and public debt---	—3, 979	—125	500
Net use of (reduction in) cash balances-----	863	199	-----
Net increase (—) or redemption of public debt-----	—3, 115	74	500
<b>Public debt at beginning of year</b> -----	271, 260	274, 374	274, 300
Net increase-----	3, 115	-----	-----
Net decrease-----	-----	74	500
<b>Public debt at end of year</b> -----	274, 374	<sup>1</sup> 274, 300	<sup>1</sup> 273, 800

NOTE.—Change in cash balance reflected above is computed as follows:

	1955	1956	1957
<b>Beginning of year:</b>			
Treasury-----	\$6, 766	\$6, 216	\$6, 000
Held outside the Treasury-----	845	533	550
<b>End of year:</b>			
Treasury-----	6, 216	6, 000	6, 000
Held outside the Treasury-----	533	550	550
Increase (+) or decrease (—)---	—863	—199	-----

<sup>1</sup> Because of wide swings in receipts and expenditures and the heavy concentration of taxes in the latter half of the fiscal year, there will be periods during the year when the public debt will be considerably greater than this amount.

TABLE 5  
SUMMARY OF BUDGET AUTHORIZATIONS

BY TYPE OF AUTHORIZATIONS AND AGENCY

Based on existing and proposed legislation

Description	1955 enacted	1956			1957		
		Enacted	Proposed for later trans- mission	Total	Recommended in this document	Proposed for later trans- mission	Total
CURRENT AUTHORIZATIONS							
Appropriations:							
Legislative branch-----	\$86,342,484	\$92,707,472	\$8,544,126	\$101,251,598	\$119,305,953	-----	\$119,305,953
The judiciary-----	31,570,500	35,903,910	1,474,820	37,378,730	40,784,635	-----	40,784,635
Executive Office of the President-----	8,466,814	10,097,700	351,575	10,449,275	10,424,475	-----	10,424,475
Funds appropriated to the President-----	2,794,949,816	2,727,841,750	25,000,000	2,752,841,750	9,900,000	\$4,860,000,000	4,869,900,000
Independent offices:							
Atomic Energy Commission-----	1,209,844,700	834,227,000	-----	834,227,000	1,672,000,000	144,200,000	1,816,200,000
Veterans Administration-----	4,232,380,465	4,466,007,000	208,053,600	4,674,060,600	4,718,495,000	45,000,000	4,763,495,000
Other-----	512,218,354	700,853,730	41,316,200	742,169,930	903,429,600	49,000,000	952,429,600
General Services Administration-----	536,763,900	737,779,000	5,888,700	743,667,700	221,624,000	-----	221,624,000
Housing and Home Finance Agency-----	123,488,340	149,950,000	4,695,500	154,645,500	177,325,000	1,750,000	179,075,000
Department of Agriculture-----	738,028,351	975,242,752	21,365,900	996,608,652	2,050,801,968	462,568,500	2,513,370,468
Department of Commerce-----	1,131,654,042	1,269,074,277	158,185,000	1,427,259,277	1,466,568,000	52,000,000	1,518,568,000
Department of Defense—Military Functions-----	29,687,073,486	33,102,185,026	-----	33,102,185,026	33,782,250,000	1,117,450,000	34,899,700,000
Department of Defense—Civil Functions-----	466,386,300	584,806,514	36,254,700	621,061,214	607,017,000	21,000,000	628,017,000
Department of Health, Education, and Welfare-----	2,001,414,778	1,981,106,900	143,568,400	2,121,675,300	1,940,144,950	704,903,000	2,645,047,950
Department of the Interior-----	437,286,299	451,122,884	14,666,394	465,789,278	515,125,350	32,693,494	547,818,844
Department of Justice-----	189,213,166	199,895,000	12,458,100	212,353,100	235,880,000	-----	235,880,000
Department of Labor-----	447,167,843	468,703,650	14,918,500	483,622,150	499,584,000	2,200,000	501,784,000
Post Office Department-----	362,673,686	440,590,000	-----	440,590,000	470,000,000	d 350,000,000	120,000,000
Department of State-----	129,883,500	141,495,905	5,885,000	147,380,905	180,213,000	56,000,000	236,213,000
Treasury Department-----	617,246,507	623,627,808	24,989,000	648,616,808	648,507,000	-----	648,507,000
District of Columbia (general fund)-----	29,847,000	29,592,700	2,000,000	31,592,700	33,058,650	2,000,000	35,058,650
Reserve for contingencies-----	-----	-----	125,000,000	125,000,000	-----	250,000,000	250,000,000
Total appropriations (excluding refunds of receipts)-----	45,773,900,331	50,022,810,978	854,615,515	50,877,426,493	50,302,438,581	7,450,764,994	57,753,203,575
Deduct portion of appropriations for liquidation of prior contract authorizations:							
Legislative branch-----	7,500,000	10,300,000	-----	10,300,000	32,446,000	-----	32,446,000
General Services Administration-----	4,500,000	37,100,000	-----	37,100,000	5,300,000	-----	5,300,000
Housing and Home Finance Agency-----	39,000,000	50,000,000	-----	50,000,000	50,000,000	-----	50,000,000
Department of Commerce-----	626,490,000	684,250,000	104,000,000	788,250,000	854,000,000	-----	854,000,000
Department of Defense—Military Functions-----	34,000,000	28,000,000	-----	28,000,000	-----	-----	-----
Department of Health, Education, and Welfare-----	1,150,000	2,407,008	-----	2,407,008	684,608	-----	684,608
Department of the Interior-----	19,076,435	26,961,795	-----	26,961,795	41,720,000	-----	41,720,000
Total appropriations for liquidation of prior contract authorizations-----	731,716,435	839,018,803	104,000,000	943,018,803	984,150,608	-----	984,150,608
Total appropriations which provide new ohligational authority-----	45,042,183,896	49,183,792,175	750,615,515	49,934,407,690	49,318,287,973	7,450,764,994	56,769,052,967
Authorizations to expend from debt receipts:							
Independent offices:							
Veterans Administration-----	124,424,567	88,000,000	-----	88,000,000	-----	-----	-----
Other-----	500,000,000	-----	-----	-----	-----	68,500,000	68,500,000
Housing and Home Finance Agency-----	500,000,000	550,000,000	-----	550,000,000	-----	200,000,000	200,000,000
Department of Agriculture-----	1,898,000,000	2,403,000,000	5,000,000	2,408,000,000	359,300,000	15,000,000	374,300,000
Treasury Department-----	-----	35,168,000	-----	35,168,000	-----	-----	-----
Total authorizations to expend from public debt receipts-----	3,022,424,567	3,076,168,000	5,000,000	3,081,168,000	359,300,000	283,500,000	642,800,000
Contract authorizations:							
Legislative branch-----	27,500,000	37,600,000	-----	37,600,000	-----	-----	-----
Department of Commerce-----	25,000,000	-----	10,000,000	10,000,000	-----	897,500,000	897,500,000
Department of Health, Education, and Welfare-----	-----	1,436,733	-----	1,436,733	398,408	-----	398,408
Department of the Interior-----	705,903	420,000	-----	420,000	420,000	-----	420,000
Total contract authorizations-----	53,205,903	39,456,733	10,000,000	49,456,733	818,408	897,500,000	898,318,408

<sup>d</sup> Deduct, postal rate increase.



TABLE 5—Continued  
SUMMARY OF BUDGET AUTHORIZATIONS—Continued

BY TYPE OF AUTHORIZATIONS AND AGENCY—Continued

Based on existing and proposed legislation—Continued

Description	1955 enacted	1956			1957		
		Enacted	Proposed for later trans- mission	Total	Recommended in this document	Proposed for later trans- mission	Total
CURRENT AUTHORIZATIONS—Continued							
Reappropriations:							
Legislative branch.....	\$114,500						
The judiciary.....	3,669						
Executive Office of the President.....	66,000						
Funds appropriated to the President.....	600,000						
Independent offices:							
Atomic Energy Commission.....	74,661,382	\$344,931,772		\$334,931,772	\$20,000,000		\$20,000,000
Other.....	3,212,690	1,624,385		1,624,385	10,450		10,450
Department of Agriculture.....	1,212,252	197,413		197,413			
Department of Commerce.....		649,361		649,361			
Department of Defense—Military Functions.....	1,126,776,989	65,739,080		65,739,080			
Department of the Interior.....	75,000						
Department of State.....	200,000						
Total reappropriations.....	1,206,922,482	413,142,011		413,142,011	20,010,450		20,010,450
Total new obligational authority under current authori- zations.....	49,324,736,848	52,712,558,919	\$765,615,515	53,478,174,434	49,698,416,831	\$8,631,764,994	58,330,181,825
PERMANENT AUTHORIZATIONS							
Appropriations:							
Independent offices:							
Atomic Energy Commission.....		106,000		106,000	700,000		700,000
Veterans Administration.....	722,900	748,100		748,100	725,000		725,000
Other.....	2,306,143	2,688,199		2,688,199	2,282,073		2,282,073
General Services Administration.....	500,000	710,000		710,000	2,000,000		2,000,000
Department of Agriculture.....	203,519,738	195,089,579		195,089,579	262,552,928		262,552,928
Department of Defense—Military Functions.....	7,522,074	7,300,000		7,300,000	7,300,000		7,300,000
Department of Defense—Civil Functions.....	1,356,319	29,415,000		29,415,000	36,515,000		36,515,000
Department of Health, Education, and Welfare.....	9,688,331	9,688,331		9,688,331	9,688,331		9,688,331
Department of the Interior.....	71,645,349	75,007,556		75,007,556	75,637,770		75,637,770
Department of State.....	1,216,722	2,528,960		2,528,960	2,559,146		2,559,146
Treasury Department.....	6,520,158,183	6,980,094,551		6,980,094,551	7,164,899,585		7,164,899,585
Total appropriations (excluding refunds of receipts).....	6,818,635,759	7,303,376,276		7,303,376,276	7,564,859,833		7,564,859,833
Authorizations to expend from debt receipts:							
Independent offices:							
Veterans Administration.....					85,000,000		85,000,000
Other.....	24,833,000	19,892,000		19,892,000	29,948,000		29,948,000
Housing and Home Finance Agency.....		32,938,564		32,938,564	7,514,400		7,514,400
Total authorizations to expend from debt receipts.....	24,833,000	52,830,564		52,830,564	122,462,400		122,462,400
Contract authorizations:							
Housing and Home Finance Agency.....		200,000,000		200,000,000	200,000,000		200,000,000
Department of Commerce.....	907,500,000	950,000,000		950,000,000	73,000,000		73,000,000
Total contract authorizations.....	907,500,000	1,150,000,000		1,150,000,000	273,000,000		273,000,000
Total new obligational authority under permanent authorizations.....	7,750,968,759	8,506,206,840		8,506,206,840	7,960,322,233		7,960,322,233
Grand total new obligational authority.....	57,075,705,607	61,218,765,759	765,615,515	61,984,381,274	57,658,739,064	8,631,764,994	66,290,504,058

TABLE 6  
SUMMARY OF BUDGET EXPENDITURES—IN RELATION TO AUTHORIZATIONS

BY AGENCY

*Based on existing and proposed legislation*

Description	1955 actual	1956 estimate					
		Expenditures from new authorizations			Other expenditures		Total
		From new obligational authority		From appropriations to liquidate	From balances of prior authorizations	From receipts and balances of revolving and management funds	
		Current	Permanent				
FROM AUTHORIZATIONS ALREADY ENACTED AND RECOMMENDED IN THIS DOCUMENT							
Legislative branch.....	\$65,368,149	\$65,673,183		\$2,721,511	\$23,092,163	• \$2,131,920	\$89,354,937
The judiciary.....	30,431,879	33,571,263			2,261,599		35,832,862
Executive Office of the President.....	8,534,505	9,401,241			589,071		9,990,312
Funds appropriated to the President.....	4,881,375,496	776,823,281			3,622,882,024	335,924,387	4,735,629,692
Independent offices.....	9,370,459,955	5,904,149,313	\$2,814,100		1,161,570,447	2,567,429,829	9,635,963,689
General Services Administration.....	977,826,115	153,335,892	340,300	35,538,930	467,096,711	718,263	657,030,096
Housing and Home Finance Agency.....	1,269,885,338	131,870,264		50,000,000	31,200,214	900,043,157	1,113,113,635
Department of Agriculture.....	7,654,568,807	1,035,300,984	26,236,258		2,580,867,474	3,299,540,336	6,941,945,052
Department of Commerce.....	1,096,225,098	369,474,254		680,184,332	106,327,287	31,356,953	1,187,342,826
Department of Defense—Military Functions.....	35,532,821,050	19,021,825,544	4,900,000	10,000,000	16,503,474,456	• 964,717,800	34,575,482,200
Department of Defense—Civil Functions.....	645,839,128	449,149,606	28,003,400		82,989,757	97,475,903	657,618,666
Department of Health, Education, and Welfare.....	1,994,322,250	1,842,516,950	9,688,331	1,561,008	184,839,025	2,483,668	2,041,088,982
Department of the Interior.....	547,718,444	309,411,895	51,758,050	26,242,351	156,878,142	31,914,297	576,204,735
Department of Justice.....	181,656,867	186,260,609			21,832,758	• 1,481,836	206,611,531
Department of Labor.....	394,915,759	348,340,883			5,251,052	2,183,198	445,775,133
Post Office Department.....	2,732,776,844	440,590,000				2,504,031,175	2,944,621,175
Department of State.....	137,126,384	120,321,000	2,132,960		25,664,836	51,108	148,164,904
Treasury Department.....	7,552,758,054	607,255,469	6,979,694,416		190,060,749	60,311,734	7,837,322,368
District of Columbia (general fund).....	21,890,000	19,892,700			3,265,000		23,157,700
Gross budget expenditures.....	75,096,500,122	31,915,164,331	7,105,567,815	806,248,132	25,170,142,765	8,865,132,452	73,862,255,495
Deduct applicable receipts.....	10,526,527,307					10,297,606,970	10,297,606,970
Net budget expenditures from authorizations enacted or recommended.....	64,569,972,815	31,915,164,331	7,105,567,815	806,248,132	25,170,142,765	• 1,432,474,518	63,564,648,525
FROM AUTHORIZATIONS PROPOSED FOR LATER TRANSMISSION							
Legislative branch.....		8,522,284					8,522,284
The judiciary.....		1,391,870					1,391,870
Executive Office of the President.....		336,600					336,600
Funds appropriated to the President.....							
Independent offices.....		220,626,091					220,626,091
General Services Administration.....		5,449,500					5,449,500
Housing and Home Finance Agency.....		4,672,000					4,672,000
Department of Agriculture.....		22,396,385					22,396,385
Department of Commerce.....		41,615,750		104,000,000			145,615,750
Department of Defense—Military Functions.....							
Department of Defense—Civil Functions.....		35,402,700					35,402,700
Department of Health, Education, and Welfare.....		92,995,973					92,995,973
Department of the Interior.....		9,601,304					9,601,304
Department of Justice.....		11,976,400					11,976,400
Department of Labor.....		14,512,776					14,512,776
Post Office Department.....							
Department of State.....		5,699,000					5,699,000
Treasury Department.....		24,029,023					24,029,023
District of Columbia (general fund).....		2,000,000					2,000,000
Reserve for contingencies.....		100,000,000					100,000,000
Net budget expenditures from authorizations proposed for later transmission.....		601,227,656		104,000,000			705,227,656
Net budget expenditures.....	64,569,972,815	32,516,391,987	7,105,567,815	910,248,132	25,170,142,765	• 1,432,474,518	64,269,876,181

• Deduct, excess of repayments and collections over expenditures.

• Includes authorizations to expend appropriations of subsequent year in the amount of \$121,150,000.

• Includes authorizations to expend appropriations of subsequent year in the amount of \$29,392,646.



**TABLE 6**  
**SUMMARY OF BUDGET EXPENDITURES—IN RELATION TO AUTHORIZATIONS**

**BY AGENCY**

*Based on existing and proposed legislation*

1957 estimate						Description
Expenditures from new authorizations			Other expenditures		Total	
From new obligational authority		From appropriations to liquidate	From balances of prior authorizations	From receipts and balances of revolving and management funds		
Current	Permanent					
FROM AUTHORIZATIONS ALREADY ENACTED AND RECOMMENDED IN THIS DOCUMENT						
\$73,620,686		\$29,917,511	\$21,062,701	• \$1,943,172	\$122,657,726	Legislative branch
38,890,535			1,996,450		40,886,985	The judiciary
9,650,982			714,059		10,365,041	Executive Office of the President
9,137,268			3,337,584,361	321,477,368	3,668,198,997	Funds appropriated to the President
6,282,957,653	\$88,385,000		1,294,759,973	2,615,013,256	10,281,115,882	Independent offices
184,452,792	1,300,000	5,300,000	367,389,219	849,093	559,291,104	General Services Administration
133,189,400		50,000,000	5,740,150	1,071,963,490	1,260,893,040	Housing and Home Finance Agency
2,099,917,211	75,627,527		1,059,975,021	3,707,166,381	6,942,686,140	Department of Agriculture
384,242,502		854,000,000	176,263,170	30,196,920	1,444,702,592	Department of Commerce
19,729,424,000	5,200,000		16,536,276,000	• 923,414,900	35,347,485,100	Department of Defense—Military Functions
460,776,000	35,007,900		122,442,300	85,776,743	704,002,943	Department of Defense—Civil Functions
* 1,734,019,640	9,688,331	684,608	169,243,822	2,587,841	1,916,224,242	Department of Health, Education, and Welfare
353,227,894	51,035,662	41,720,000	149,010,843	31,524,806	626,519,205	Department of the Interior
205,211,732			13,986,660	• 1,727,000	217,471,392	Department of Justice
* 483,267,155			6,110,778	2,276,000	491,653,933	Department of Labor
470,000,000				2,560,319,000	3,030,319,000	Post Office Department
135,067,000	2,163,000		24,188,000		161,418,000	Department of State
595,448,259	7,164,498,450		201,882,415	6,186,066	7,968,015,190	Treasury Department
22,358,650			8,290,000		30,648,650	District of Columbia (general fund)
33,404,859,359	7,432,905,870	981,622,119	23,496,915,922	9,508,251,892	74,824,555,162	Gross budget expenditures
				11,048,579,320	11,048,579,320	Deduct applicable receipts
33,404,859,359	7,432,905,870	981,622,119	23,496,915,922	• 1,540,327,428	63,775,975,842	Net budget expenditures from authorizations enacted or recommended.
FROM AUTHORIZATIONS PROPOSED FOR LATER TRANSMISSION						
			21,842		21,842	Legislative branch
			82,950		82,950	The judiciary
			14,975		14,975	Executive Office of the President
990,000,000			3,500,000		993,500,000	Funds appropriated to the President
104,700,000			15,540,709		120,240,709	Independent offices
			329,200		329,200	General Services Administration
26,150,000			23,500		26,173,500	Housing and Home Finance Agency
425,537,000			3,969,515		429,506,515	Department of Agriculture
11,860,000			4,469,250		16,329,250	Department of Commerce
200,000,000					200,000,000	Department of Defense—Military Functions
9,950,000			852,000		10,802,000	Department of Defense—Civil Functions
345,278,000			43,972,427		389,250,427	Department of Health, Education, and Welfare
13,260,000			3,561,596		16,821,596	Department of the Interior
			481,700		481,700	Department of Justice
2,000,000			405,724		2,405,724	Department of Labor
* 350,000,000					* 350,000,000	Post Office Department
5,270,000			186,000		5,456,000	Department of State
			959,977		959,977	Treasury Department
2,000,000					2,000,000	District of Columbia (general fund)
225,000,000					225,000,000	Reserve for contingencies
2,011,005,000			78,371,365		2,089,376,365	Net budget expenditures from authorizations proposed for later transmission.
35,415,864,359	7,432,905,870	981,622,119	23,575,287,287	• 1,540,327,428	65,865,352,207	Net budget expenditures

• Deduct, excess of repayments and collections over expenditures.

\* Deduct, proposed postal rate increase.

\* Includes authorizations to expend appropriations of subsequent year in the amount of \$108,459,895.

\* Includes authorizations to expend appropriations of subsequent year in the amount of \$29,392,646.

TABLE 7  
BALANCES AVAILABLE AT START OF YEAR

BY TYPE AND AGENCY

Based on existing and proposed legislation

Description	1955 actual		1956 actual		1957 estimate		1958 estimate	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
<b>BALANCES OF PRIOR AUTHORIZATIONS FOR EXPENDITURE</b>								
<b>Appropriations enacted or recommended:</b>								
Legislative branch.....	\$17,593,915	\$1,639,546	\$23,274,146	\$7,293,310	\$28,481,933	\$2,488,508	\$19,126,456	\$88,508
The judiciary.....	1,266,851		2,258,235	7,167	1,996,450		1,894,100	
Executive Office of the President.....	724,005	185,971	549,133	96,409	694,690	40,000	778,464	
Funds appropriated to the President.....	7,060,924,971	2,514,768,836	3,673,243,609	64,576,195	3,106,979,972	210,374,130	1,064,215,273	
<b>Independent offices:</b>								
Atomic Energy Commission.....	2,398,649,143	404,691,532	1,130,243,123	755,331,371	1,250,689,266	79,044,000	1,064,852,266	
Veterans Administration.....	70,773,834	3,084,588,163	99,407,910	113,630,395	104,830,107	98,678,292	152,722,489	32,170,976
Other.....	117,096,056	124,422,516	101,114,145	129,047,583	123,974,452	127,746,294	235,668,857	119,381,613
General Services Administration.....	866,346,934	361,689,136	469,677,428	333,559,886	328,462,272	556,867,360	249,892,761	300,618,860
Housing and Home Finance Agency.....	358,545	9,000,000	576,691	9,984,000	2,031,300	9,000,000	2,194,800	9,000,000
Department of Agriculture.....	215,402,758	282,624,428	140,877,305	309,721,006	145,259,229	232,241,735	184,038,499	142,597,602
Department of Commerce.....	131,850,798	23,397,841	104,153,354	96,254,787	230,109,791	83,970,261	330,184,857	35,857,523
Department of Defense—Military Functions.....	31,061,907,136	17,717,094,087	25,193,701,785	18,254,872,462	26,825,809,278	12,757,247,573	26,395,336,953	9,413,502,051
Department of Defense—Civil Functions.....	158,488,623	95,356,055	112,315,954	47,160,840	159,677,835	53,872,941	227,166,127	11,828,449
Department of Health, Education, and Welfare.....	431,645,990	138,435,923	431,646,332	100,957,955	488,676,238	62,044,065	501,191,833	57,118,455
Department of the Interior.....	159,727,706	91,986,802	145,450,011	86,515,323	173,854,729	39,023,105	182,807,809	23,828,346
Department of Justice.....	17,934,301	558,547	22,505,257	302,942	14,462,832	125,000	22,497,440	8,750,000
Department of Labor.....	7,195,343	39,774,160	5,277,786	2,000	26,141,715		36,347,782	
Department of State.....	28,636,207	29,485,914	21,536,404	18,503,622	26,450,223	8,629,238	51,162,571	5,121,036
Treasury Department.....	61,187,650	8,164,170	61,548,776	5,171,630	51,706,653	459,261	53,173,965	453,410
District of Columbia (general fund).....		15,530,000		23,487,000		29,922,000		32,332,000
Total balances of appropriations enacted or recommended.....	42,807,710,766	24,943,393,627	31,739,357,384	20,356,475,883	33,090,288,965	14,351,773,763	30,775,253,302	10,192,648,829
<b>Appropriations for later transmission:</b>								
Legislative branch.....					21,842			
The judiciary.....					82,950			
Funds appropriated to the President.....						25,000,000	4,012,300,000	13,000,000
Executive Office of the President.....					14,975			
<b>Independent offices:</b>								
Atomic Energy Commission.....							156,081,000	15,000,000
Veterans Administration.....					1,904,160			
Other.....					8,539,549	18,300,000	51,997,000	44,006,000
General Services Administration.....					219,200	220,000		110,000
Housing and Home Finance Agency.....					23,500		600,000	
Department of Agriculture.....					1,469,515		50,031,500	
Department of Commerce.....					1,969,250	10,600,000	48,240,000	
Department of Defense—Military Functions.....							917,450,000	
Department of Defense—Civil Functions.....					852,000		11,050,000	
Department of Health, Education, and Welfare.....					50,572,427		366,225,000	
Department of the Interior.....					5,065,090		20,936,988	
Department of Justice.....					462,700	19,000		2,754,351
Department of Labor.....					405,724		200,000	
Department of State.....					186,000		45,090,000	5,640,000
Treasury Department.....					959,977			
Total balances of appropriations for later transmission.....					72,748,859	54,139,000	5,680,201,488	80,510,351
Grand total balances of appropriations.....	42,807,710,766	24,943,393,627	31,739,357,384	20,356,475,883	33,163,037,824	14,405,912,763	36,455,454,790	10,273,159,180
<b>Authorizations to expend from debt receipts:</b>								
Funds appropriated to the President.....	758,350,252	769,426,743	664,111,427	624,848,128	655,113,044	446,375,988	510,189,232	
Independent offices: Other.....	502,147,669	7,359,950,362	840,786,726	7,550,057,574	1,209,399,005	7,206,312,295	1,742,441,563	6,206,550,437
Housing and Home Finance Agency.....	2,063,006,406	1,781,354,383	1,383,294,983	2,647,086,197	1,526,033,880	2,876,361,120	1,737,857,212	2,503,137,788
Department of Agriculture.....	2,947,022,963	1,997,720,820	1,840,646,931	1,224,372,788	2,607,151,386	455,728,333	2,196,936,873	353,942,846
Department of Defense—Civil Functions.....		150,000,000						
Treasury Department.....	4,497,252	2,783,363,778	4,300,058	2,783,399,942	2,874,863	2,786,255,137	2,684,863	2,786,557,137
Total balances of authorizations to expend from debt receipts.....	6,275,024,542	14,841,816,086	4,733,140,125	14,829,764,629	6,000,572,178	13,771,032,873	6,190,109,743	11,850,188,208



TABLE 7—Continued  
BALANCES AVAILABLE AT START OF YEAR—Continued  
BY TYPE AND AGENCY—Continued

Based on existing and proposed legislation—Continued

Description	1955 actual		1956 actual		1957 estimate		1958 estimate	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
<b>BALANCES OF PRIOR AUTHORIZATIONS FOR EXPENDITURES—Continued</b>								
Authorizations to expend from debt receipts for later transmission:								
Funds appropriated to the President.....							\$556,017,000	
Housing and Home Finance Agency.....							175,000,000	
Department of Agriculture.....					\$2,500,000		2,000,000	
Total balances of authorizations to expend from debt receipts for later transmission.....					2,500,000		733,017,000	
Grand total of balances of authorizations to expend from debt receipts.....	\$6,275,024,542	\$14,841,816,086	\$4,733,140,125	\$14,829,764,629	6,003,072,178	\$13,771,032,873	6,923,126,743	\$11,850,188,208
<b>BALANCES OF CONTRACT AUTHORIZATIONS</b>								
Legislative branch.....	41,364	24,204,636		44,246,000	9,687,043	59,358,957	39,100,000	
General Services Administration.....	55,000,000	19,500,000	39,380,338	3,019,662	3,590,338	1,709,662		
Housing and Home Finance Agency.....	84,084,509	387,915,491	96,757,682	336,242,318	161,257,682	421,742,318	293,157,682	439,842,318
Department of Agriculture.....		70,500,000		48,000,000		24,000,000		
Department of Commerce.....	878,755,872	743,565,300	1,013,377,381	872,784,804	1,093,915,616	953,956,097	1,095,065,616	164,806,097
Department of Defense—Military Functions.....	46,045,836	63,954,164	17,716,094	58,283,906		39,428,000		
Department of Health, Education, and Welfare.....		6,096,791	752,848	2,682,352	254,000	2,031,740	647,800	1,451,740
Department of the Interior.....		97,000,000	6,500,976	73,529,904	18,537,571	33,500,000	10,737,571	
Contract authorizations for later transmission:								
Department of Commerce.....					10,000,000		137,250,000	770,250,000
Total balances of contract authorizations.....	1,063,927,581	1,412,736,382	1,174,485,319	1,438,788,946	1,297,242,250	1,535,726,774	1,575,958,669	1,376,350,155
<b>BALANCES IN REVOLVING AND MANAGEMENT FUNDS</b>								
(Including U. S. Government securities held)								
Legislative branch.....	* 12,656,284	25,730,628	* 11,388,871	23,421,688	* 12,954,954	24,623,490	* 13,724,012	24,835,720
Funds appropriated to the President.....	17,726,535	4,838,631	51,742,481	58,642,970	13,579,176	34,919,364	21,474,344	14,256,696
Independent offices:								
Veterans Administration.....	66,625,366	25,037,791	109,323,268	48,390,526	99,980,044	89,883,948	99,934,291	120,368,352
Other.....	240,552,141	671,492,738	66,269,438	567,190,667	* 5,754,800	549,560,031	* 14,818,240	558,711,689
General Services Administration.....	29,128,638	* 1,939,911	35,649,296	* 13,418,170	61,356,662	* 37,064,244	81,259,481	* 54,169,687
Housing and Home Finance Agency.....	139,651,394	367,593,202	147,632,936	341,332,722	167,981,339	372,374,771	172,003,985	440,339,142
Department of Agriculture.....	582,683	99,617,763	27,716,556	70,166,743	29,267,579	80,664,908	9,911,172	103,979,041
Department of Commerce.....	* 2,327,952	49,686,590	* 5,020,650	48,192,126	* 7,032,716	43,353,898	* 9,251,386	48,438,759
Department of Defense—Military Functions.....	* 1,951,523,618	2,640,222,133	* 509,672,691	3,792,253,444	* 180,423,350	2,724,790,051	* 1,481,007	3,294,412,866
Department of Defense—Civil Functions.....	40,390,453	40,144,281	43,313,927	36,447,052	45,827,105	27,012,531	47,558,512	24,990,281
Department of Health, Education, and Welfare.....	913,807	1,532,735	622,169	1,643,259	308,314	1,544,677	67,039	1,629,167
Department of the Interior.....	* 4,029,567	26,619,082	6,453,057	19,575,393	5,154,206	16,601,541	1,834,950	14,839,792
Department of Justice.....	1,070,493	3,387,278	550,131	4,793,066	747,682	3,277,351	747,682	
Department of Labor.....	427,846	2,683,129	389,143	2,058,929	385,641	1,115,207	444,086	626,762
Post Office Department.....	214,897,049	150,678,553	206,044,250	88,493,493	163,155,959	7,000,000	165,943,000	7,000,000
Department of State.....	234,660	235,673	289,115	263,257	297,870		297,870	
Treasury Department.....	9,746,727	* 479,589	16,815,605	106,792,022	26,991,805	24,154,609	19,712,855	18,301,493
Total balances in revolving and management funds.....	* 1,208,589,629	4,107,080,707	186,729,160	5,196,239,187	408,867,562	3,963,812,133	581,914,622	4,618,560,073
Reserve for contingencies.....					25,000,000		50,000,000	
Total balances available at start of year.....	48,938,073,260	45,305,026,802	37,833,711,988	41,821,268,645	40,897,219,814	33,676,484,543	45,586,454,824	28,118,257,616

\* Deduct, excess of receivables over obligations.

\* Deduct, excess of obligations over cash and receivables.

\* Reduced by \$104,000,000 to give effect to 1956 supplementals proposed for later transmission.



## INTRODUCTION TO PART II

Part II contains the details of the budget for Federal funds, including various types of tables and schedules, explanatory statements of the work to be performed and the money needed, and the text of the language proposed for enactment by Congress on each item of authorization. Included herein is also material on funds of the municipal government of the District of Columbia, and a few other trust funds which require congressional action. The contents of part II are arranged in chapters reflecting the organization of the Government.

### SUMMARIES OF BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

At the beginning of each chapter a table in large type summarizes budget authorizations available, and a second table summarizes expenditures and other dispositions of the amounts available. Both tables segregate the items proposed for formal transmission to Congress later as supplemental estimates from those items already enacted or formally recommended in this document. Supplementals required for 1956 due to pay act legislation enacted last summer are identified separately here and in the detail.

*Summary of budget authorizations available.*—This summary indicates the totals of each type of new obligational authority for the year, the totals of the various types of balances brought forward into the year, and any interchapter transfers or net upward adjustments of budget authorizations. The various types of authorizations are explained in the introduction to part I (pp. A2 and A3).

*Summary of expenditures and balances.*—This summary indicates the total expenditures for the chapter, the portion of the unspent available amounts which ceases to be available during or at the close of the year, and the balances carried forward into the next year.

For the years 1956 and 1957, there are estimated the portion of the expenditures which will come out of appropriations or other authorizations granted by Congress for that year, and the portion which will come from permanent authorizations and from balances of prior authorizations brought into the year. Additional entries are used where required for expenditures which will come from appropriations made to liquidate prior contract authorizations, and for expenditures from balances and receipts of revolving and management funds. Because old and new authorizations are commingled in some accounts, no attempt is made in the summary figures to separate actual spending in 1955 between old and new authorizations.

In preparing the estimates for 1956 and 1957, it is generally assumed that prior year balances available in commingled accounts will be obligated before the new authorizations are obligated, and that expenditures will reflect the liquidation of those obligations on the basis of previous experience. Where the obligation and expenditure are simultaneous, the first-in, first-out method is used to assign expenditures between old and new authorizations. In the case of revolving funds where budgetary authorizations are commingled with receipts, it is assumed that authorizations are expended in an amount equal to the sums placed in the revolving fund during the year, and that the remaining expenditures or net collections are a charge or credit to balances of the fund.

*Summaries of balances.*—At the bottom of the foregoing summaries, there is given (a) a further analysis of the authorization balances which are carried forward each year, indicating the respective amounts which are obligated and unobligated; and (b) a further analysis of the

amounts written off or otherwise ceasing to be available each year, indicating the manner of writeoff.

### STATEMENT OF AUTHORIZATIONS AND EXPENDITURES BY ORGANIZATION UNIT AND ACCOUNT TITLE

A summary listing of the organization units in each chapter shows the new obligational authority and expenditures for each. The detailed listing which follows is divided in several sections: Current authorizations (other than those for revolving and management funds), permanent authorizations, revolving and management funds, and supplemental items proposed for later transmission.

Types of authorizations other than appropriations are set forth under the applicable appropriation titles, identified by separate stub entries. Functional code numbers appear in a separate column, indicating the category in the functional tables (special analyses C and L of part IV) where each item has been included.

Two deductions appear at the end of the table. One deduction, in the authorization column, covers the appropriations which are to liquidate contract authorizations and hence to be excluded in arriving at new obligational authority. The other deduction, in the expenditure column, is for receipts of public enterprise funds, to be subtracted in arriving at *net* budget expenditures.

A separate double-page table is used for revolving and management funds. Appropriations and other budgetary authorizations to use general fund money for revolving funds are shown in this section. It also shows the total amounts provided by operations, the total amounts applied to operations, and the net expenditures (which is the difference between the two other figures).

### INTERAGENCY FINANCIAL TRANSACTIONS

For funds appropriated to the President and other appropriations which are allocated by one agency to another for construction, for major procurement, for services to be carried on beyond the year, or for services which by mutual agreement are to be so handled, the amount so allocated is accounted for separately by the receiving agency. The use of the money is shown in a section of the budget under the parent account, rather than in the portion of the budget for the receiving agency.

Most other payments between agencies are accounted for in consolidated working funds or as reimbursements to appropriations. Each such payment is included in an appropriate object class of the parent account and the use of such advances and reimbursements is regularly shown in a separate schedule of the receiving agency. Such schedules of advances and reimbursements are budgeted like management funds. In a few cases where interagency payments are significant in determining the appropriation needs of the receiving agency, the reimbursements are shown in the appropriation schedule of the receiving agency instead of in separate schedules.

### DETAILED MATERIAL

The display for general and special fund appropriations explained on page 4 and the financial statements used for revolving funds are explained on page 5. The management funds (including schedules of advances and reimbursements) follow the same style as general and special funds with an extra summation of amounts provided and applied, printed at the end of the schedule of budget authorizations, expenditures, and balances.



# EXPLANATORY ILLUSTRATION OF BUDGETS FOR GENERAL AND SPECIAL FUND ACCOUNTS

## APPROPRIATION LANGUAGE

The language proposed by the President for inclusion in the 1957 appropriation acts is printed at the head of each item requiring action. The language in the 1956 appropriation acts is used as a base. Immediately following the language are citations to relevant laws and the appropriations from which the text is taken.

## Salaries and Expenses, General Legal Activities, Justice

For expenses necessary for the legal activities of the Department of Justice not otherwise provided for, including miscellaneous and emergency expenses authorized or approved by the Attorney General or his Administrative Assistant; and advances of public moneys pursuant to law (31 U. S. C. 529); [80,300,000] \$40,130,000, to U. S. C. 22, 291, 293, 295, 310, 315, 341; Department of Justice Appropriation Act, 1956.

Appropriated 1956, \$9,300,000 Estimate 1957, \$10,420,000

Roman type shows the text used in the 1956 appropriation acts.

Italic type indicates proposed new language and figures.

Brackets enclose material which it is proposed to omit in 1957.

## PROGRAM AND FINANCING

In the program by activities section obligations are broken down by purpose, program, project or activity. This breakdown, especially tailored for each agency and account, reflects the particular duties and responsibilities for which it receives money.

The financing section explains the method of financing the program and the disposition of amounts not used during the year.

PROGRAM AND FINANCING			
	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Conduct of Supreme Court proceedings and coordination of appellate matters.....	\$283,083	\$313,920	\$315,220
2. General tax matters.....	1,334,754	1,882,300	1,707,430
3. Criminal matters.....	1,377,593	1,522,400	1,542,500
4. Claims, customs, and general civil matters.....	2,372,997	2,619,890	2,947,400
5. Land matters.....	2,070,098	2,246,000	2,565,000
6. Legal opinions.....	231,977	275,300	325,800
7. Internal security matters.....	952,505	1,257,300	1,316,600
Total obligations.....	8,843,007	9,914,000	10,420,000
<b>Financing:</b>			
Comparative transfers to other accounts.....	303,139		
Unobligated balance no longer available.....	17,785		
Appropriation (adjusted).....	9,163,941	9,900,000	10,420,000
Proposed supplemental due to pay increases.....		614,000	

Comparative transfers represent obligations which were financed from this account during 1955 but are financed from another account in 1956 and 1957. Such obligations are omitted from the program by activities in this schedule and are added to the other schedule involved to make all 3 years comparable for both accounts.

Obligations refer to orders placed, contracts awarded, and services received during the year, regardless of the time of payment. Appropriations at other obligatory authority must be provided by the Congress before obligations can be incurred.

Balance which expired for obligation purposes at the end of the year, and which is no longer available for expenditure.

## NARRATIVE STATEMENTS

The work planned and services proposed to be carried out are described briefly under each appropriation or fund. Where practicable the narrative statements indicate the expected accomplishment in relation to the financial estimates and give some measures of program and performance. In the case of permanent appropriations, the narrative statements also explain the source of the money and the statutory basis for the appropriation.

These activities are those which are carried on by the Department's law offices, except the Antitrust Division, for which a separate appropriation is made.

1. *Conduct of Supreme Court proceedings and coordination of appellate matters.*—This consists of supervising and controlling all appellate matters and representing the Government before the Supreme Court.

2. *General tax matters.*—Cases arising under the internal revenue laws and other tax statutes are prosecuted or defended.

3. *Criminal matters.*—These cover all actions in criminal law except tax, internal security, and antitrust matters.

4. *Claims, customs, and general civil matters.*—These cover the prosecution or defense of civil suits and claims of the Government except tax, land, and alien property matters.

5. *Land matters.*—These consist of all civil suits and matters relating to title, possession, and use of Federal lands and natural resources, and representation of the United States in all civil litigation pertaining to Indians and Indian affairs.

6. *Legal opinions.*—Opinions are prepared for the President and executive agencies, and proposed Executive orders and proclamations of the President are reviewed with respect to form and legality.

7. *Internal security matters.*—Litigation and related matters pertaining to the internal security of the United States are handled.

A supplemental appropriation of \$50,000 is to be submitted for the defense of Indian claims, pursuant to 60 Stat. 1049.

Headings in the narrative statements usually agree with the schedules of obligations by activities.

Permanent positions are those of a full-time nature which are of indefinite duration. Some are filled by persons with temporary appointments.

## OBLIGATIONS BY OBJECTS

There is shown for each account a summary of personal services and a classification of the obligations according to a uniform list of objects. These object classes, numbered from 01 to 16, reflect the nature of the things or services purchased, regardless of the purpose or the nature of the program for which they are used.

OBLIGATIONS BY OBJECTS			
Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	1,192	1,305	1,329
Full-time equivalent of all other positions.....	27	29	17
Average number of all employees.....	1,156	1,281	1,309
Number of employees at end of year.....	1,180	1,258	1,287
<b>Average salaries and grades:</b>			
Original schedule grades.....			
Average salary.....	\$5,169	\$5,545	\$5,696
Average grade.....	OS-8.7	OS-8.6	OS-8.6
01 Personal services.....			
Permanent positions.....	\$7,197,092	\$8,315,016	\$8,670,829
Positions other than permanent.....	107,700	131,000	113,000
Regular pay above 52-week base.....	27,030	32,713	
Payment above base rates.....	4,830	4,801	3,801
Total personal services.....	7,336,652	8,513,530	8,787,630
02 Travel.....	244,569	246,100	324,100
03 Transportation of things.....	1,259	700	700
04 Communication services.....	75,808	84,600	85,600
05 Rents and utility services.....	30		
06 Printing and reproduction.....	252,183	286,000	267,550
07 Other contractual services.....	689,097	671,800	813,600
08 Supplies and materials.....	40,889	41,300	42,200
09 Equipment.....	110,756	56,320	67,420
15 Taxes and assessments.....	19,055	17,600	18,200
Total obligations.....	8,843,007	9,914,000	10,420,000

This entry represents the number of (a) full-time and regularly scheduled part-time employees in pay status on the last workday in June and (b) intermittent employees who work at any time during June. This is the basis for reports to the Civil Service Commission.

Average salaries and grades are computed arithmetically. The average salary may fall either within or outside the salary range of the average grade.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

This schedule shows total budget authorizations available during the year and their disposition as between expenditures, balances carried forward, and balances ceasing to be available.

Expenditures during the year are distributed between those which came from authorizations of the same year, here called current authorizations (whether of a permanent or nonpermanent nature) and those which came from authorizations of a prior year. In this budget, proposed supplemental appropriations for 1956 to meet pay increase costs are included in the regular schedules, and expenditures from the anticipated supplementals are also separately identified. Proposed supplemental appropriations for other purposes are shown in separate schedules at the end of the chapter.

In the case of management funds, an additional section is included to show the total funds provided by operations (receipts) and applied to operations (checks issued) and the net effect on budget expenditures.

BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES			
	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$9,750,000	\$9,300,000	\$10,420,000
Transferred to Salaries and expenses, United States attorneys and marshals, Justice" (Reorganization Plan No. 2 of 1950).....	-719,130		
Transferred from "Fees and expenses of witnesses, Justice" (69 Stat. 249).....	133,671		
Adjusted appropriation.....	9,163,941	9,300,000	10,420,000
Proposed supplemental due to pay increases.....		614,000	
Obligated balance brought forward.....	1,374,126	1,305,423	1,430,143
Total budget authorizations available.....	10,538,067	11,279,423	11,850,143
<b>EXPENDITURES AND BALANCES</b>			
Expenditures.....			
Out of current authorizations.....	7,810,908	8,000,400	9,086,240
Out of anticipated supplemental appropriation.....		500,000	24,000
Out of prior authorizations.....	1,041,068	1,195,000	1,139,800
Total expenditures.....	8,851,976	9,695,400	10,250,040
Balance no longer available.....	17,785		
Unobligated (expiring for obligation).....	302,633		
Other.....	1,365,423	1,430,143	1,550,809
Obligated balance carried forward.....			
Total expenditures and balances.....	10,538,067	11,279,423	11,850,143

The obligated balance brought forward (plus the unobligated balance if it is still available for obligation) is a part of the balance available at the start of the year shown in the chapter summary data.

This is an example where successive annual appropriations are made. If appropriations of two or more years were merged under the law, a single figure would appear in this column for expenditures out of both current and prior authorizations.

This entry includes amounts which cease to be available for expenditure for various reasons—savings because actual payments on obligations of prior years are less than amounts previously reported or obligations, balances transferred to the certified claims account because the appropriation lapsed for expenditure purposes, etc.

## EXPLANATORY ILLUSTRATION OF BUDGETS FOR REVOLVING FUNDS

The financial statements shown below are regularly used for revolving funds. Such funds also have narrative statements on program and performance. Budgetary authorizations for such funds and limitations on expenses of Government corporations follow the general format

illustrated on the opposite page. In selected cases, statements B and C are condensed considerably and a new form of program and financing schedule is added (see, for example, p. 193).

### STATEMENT OF SOURCES AND APPLICATION OF FUNDS

This is a balanced presentation of the amounts becoming available during the year, either in the form of cash or other working capital, and the way in which those amounts have been used.

The statement excludes depreciation, losses on loans, and other transactions which affect neither cash nor other current assets and liabilities. It does reflect transactions which affect cash, accounts receivable, accounts payable, other accrued liabilities, inventories of supplies for administrative purposes, deferred charges and credits.

Both the funds applied and the funds provided parts of the statement are divided between "operations" and Treasury "financing."

For intragovernmental funds, net expenditures (the sum of amounts applied to operations, less amounts provided by operations) are included in budget expenditures.

For public enterprise funds, the total amount applied to operations is included in gross budget expenditures. The sum of amounts provided by operations for such funds make up the deduction (for applicable receipts) used in arriving at net budget expenditures.

#### A. Statement of sources and application of funds

	1955 actual	1956 estimate	1957 estimate
<b>FUNDS APPLIED</b>			
To operations:			
Acquisition of assets: Equipment.....	\$34,529	\$30,000	\$30,000
Expenses:			
Purchases of materials.....	716,486	720,000	720,000
Other expenses.....	1,770,589	1,865,000	1,860,000
Increase in selected working capital.....			9,000
Total applied to operations.....	2,521,604	2,615,000	2,628,000
To financing:			
Increase in Treasury cash.....	47,309	17,247	
Total funds applied.....	2,568,913	2,632,247	2,628,000
<b>FUNDS PROVIDED</b>			
By operations:			
Realization of assets: Proceeds from sale of equipment.....	3,937	1,000	1,000
Operating income.....	2,537,663	2,612,000	2,624,000
Decrease in selected working capital.....	27,283	10,247	
Total provided by operations.....	2,568,913	2,632,247	2,625,000
By financing:			
Decrease in Treasury cash.....			3,000
Total funds provided.....	2,568,913	2,632,247	2,628,000

If the enterprise acquires materials for manufacture or sale, purchases for manufacture or sale are included in expenses in this statement, whether or not the materials are used within the year.

Selected working capital items comprise the current assets (other than cash with Treasury, inventories for sale or manufacture, and without deducting any valuation allowances) less the current liabilities (other than reserves).

#### EFFECT ON BUDGET EXPENDITURES

	1955 actual	1956 estimate	1957 estimate
Funds applied to operations.....	\$2,521,604	\$2,615,000	\$2,628,000
Funds provided by operations.....	2,568,913	2,632,247	2,625,000
Net effect on budget expenditures.....	-47,309	-17,247	3,000
The above are charged or credited (-) to net receipts of the fund.....	-47,309	-17,247	3,000

Net effect on budget expenditures includes the spending of appropriations for the revolving fund as well as the spending of the fund's own receipts. A negative figure here indicates collections in excess of expenditures.

### STATEMENT OF INCOME AND EXPENSE

This is a statement of the income and expenses and the resulting profit or loss for the year. This statement is normally on a full accrual basis, including in the expenses sums for depreciation and provision for losses on receivables. It also indicates losses and chargeoffs when they occur. In addition, gains or losses from the sale of equipment or other assets appear here.

At the bottom of this statement there is an analysis of the retained earnings or cumulative deficit, showing any additions to it during the year, any charges made against it, and the balance at the end of the year.

#### B. Statement of income and expense

	1955 actual	1956 estimate	1957 estimate
<b>Income:</b>			
Sales of goods and services.....	\$2,526,967	\$2,601,250	\$2,613,250
Rental income from quarters.....	10,726	10,750	10,750
Total income.....	2,537,693	2,612,000	2,624,000
<b>Expenses:</b>			
Cost of materials sold:			
Purchases of materials.....	716,486	720,000	720,000
Materials donated.....	11,363		
Decrease in materials inventory.....	13,695	753	
Cost of materials sold.....	742,044	720,753	720,000
Other expenses.....	1,770,589	1,865,000	1,860,000
Depreciation on equipment.....	30,222	36,000	36,000
Total expenses.....	2,548,855	2,621,753	2,625,000
Net operating loss (-).....	-11,162	-9,753	-1,000
Nonoperating income or loss (-):			
Proceeds from sale of fixed assets.....	3,937	1,000	1,000
Net book value of assets sold.....	4,832	1,500	1,500
Net nonoperating loss (-).....	-895	-500	-500
Net loss (-) for the year.....	-12,057	-10,253	-1,500
<b>ANALYSIS OF RETAINED EARNINGS</b>			
Retained earnings, beginning of year.....	48,728	36,671	26,418
Retained earnings, end of year.....	36,671	26,418	24,918

Income (as well as expenses) is usually based on the accrual method of accounting.

If the enterprise conducts a sales operation, the cost of goods sold, rather than purchases, is considered an expense in this statement.

Depreciation and other expenses not shown on statement A are indicated separately.

This entry agrees with the balance sheet. It represents cumulative profits kept in the business, whether in the form of cash, inventories, receivables, or fixed assets.

### STATEMENT OF FINANCIAL CONDITION

This is a balance sheet of assets, liabilities, and investment of the Government at the close of the fiscal year. Like the other statements, it is normally on an accrual basis.

When interest is paid on part or all of the investment of the U. S. Government, this section is broken down to indicate the amount which has been invested by the Government on which the fund pays interest, the amount invested on which the fund does not pay interest, and the retained earnings or deficit.

#### C. Statement of financial condition

	1955 actual	1956 estimate	1957 estimate
<b>ASSETS</b>			
Current assets:			
Cash with Treasury:			
Operations.....	\$245,763	\$263,000	\$250,000
Deposit funds.....	40,727	40,000	40,000
Accounts receivable.....	443,090	425,000	430,000
Inventory of supplies and materials.....	78,753	75,000	75,000
Total current assets.....	808,323	803,000	805,000
Fixed assets:			
Equipment.....	397,159	407,159	418,159
Less portion charged off as depreciation.....	213,612	231,112	247,612
Total fixed assets.....	183,547	176,047	170,547
Total assets.....	991,870	979,047	975,547
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable.....	124,069	125,634	121,634
Accrued expenses.....	286,408	285,000	285,000
Deposit liabilities.....	40,727	40,000	40,000
Total liabilities.....	451,204	450,634	446,634
<b>INVESTMENT OF U. S. GOVERNMENT</b>			
Principal of fund:			
Appropriation.....	300,000	300,000	300,000
Donated assets, net.....	201,995	201,995	201,995
Total principal of fund.....	501,995	501,995	501,995
Retained earnings.....	36,671	26,418	24,918
Total investment of U. S. Government.....	538,666	528,413	526,913
Total liabilities and investment of U. S. Government.....	989,870	979,047	975,547

This entry represents cash on deposit with the Treasury. If the fund has any cash in commercial banks, it is also included here. It excludes any balances of appropriations (or other authorizations) which have not yet been paid into the fund.

"Liabilities" normally means what is owed for goods and services which have been received.

The investment of the U. S. Government indicates the Government's interest as owner, plus the Government's interest as creditor in the form of notes payable to the Treasury where a Government corporation has authorization to borrow on such notes.

Obligated balances consist of current liabilities shown on the statement plus such other obligations or commitments as may not have matured into liabilities, minus the current assets that are included in selected working capital. The total cash minus obligated balances makes up the unobligated balance used in compiling chapter summary data.

NOTE.—Obligated balances are as follows: June 30, 1954, —\$42,087; 1955, —\$20,183; 1956, \$634; 1957, —\$8,366 (negative figures represent receivables, etc., in excess of obligations).  
Unobligated balances are as follows: June 30, 1954, \$240,531; 1955, \$285,936; 1956, \$262,366; 1957, \$268,366.  
Cash balance with Treasury on June 30, 1954, was \$198,444.



**DEPARTMENT OF AGRICULTURE**  
**SUMMARY OF BUDGET AUTHORIZATIONS AVAILABLE**

	1955 actual	1956 estimate	1957 estimate
<b>NEW OBLIGATIONAL AUTHORITY</b>			
<b>Enacted or recommended in this document:</b>			
Current authorizations:			
Appropriations.....	\$738, 028, 351	\$975, 242, 752	\$2, 050, 801, 968
Reappropriations.....	1, 212, 252	197, 413	-----
Authorizations to expend from debt receipts.....	1, 898, 000, 000	2, 403, 000, 000	359, 300, 000
Total new obligational authority under current authorizations.....	2, 637, 240, 603	3, 378, 440, 165	2, 410, 101, 968
Permanent authorizations: Appropriations.....	203, 519, 738	195, 089, 579	262, 552, 928
Total new obligational authority enacted or recommended.....	2, 840, 760, 341	3, 573, 529, 744	2, 672, 654, 896
<b>Proposed for later transmission:</b>			
Appropriations:			
Pay increase costs.....	-----	14, 965, 900	-----
Other.....	-----	6, 400, 000	462, 568, 500
Authorizations to expend from public debt receipts.....	-----	5, 000, 000	15, 000, 000
Total new obligational authority proposed for later transmission.....	-----	26, 365, 900	477, 568, 500
Grand total new obligational authority.....	2, 840, 760, 341	3, 599, 895, 644	3, 150, 223, 396
<b>BALANCES AND OTHER AMOUNTS AVAILABLE</b>			
Balances brought forward at start of year from—			
Appropriations enacted.....	498, 027, 186	450, 598, 311	377, 500, 964
Appropriations proposed for later transmission.....	-----	-----	1, 469, 515
Authorizations to expend from debt receipts.....	4, 944, 743, 783	3, 065, 019, 719	3, 062, 879, 719
Authorizations to expend from debt receipts proposed for later transmission.....	-----	-----	2, 500, 000
Contract authorizations.....	70, 500, 000	48, 000, 000	24, 000, 000
Revolving and management funds.....	100, 200, 446	97, 883, 299	109, 932, 487
Total balances available.....	5, 613, 471, 415	3, 661, 501, 329	3, 578, 282, 685
Total budget authorizations available.....	8, 454, 231, 756	7, 261, 396, 973	6, 728, 506, 081

**SUMMARY OF BALANCES AVAILABLE AT START OF YEAR**

	1955		1956		1957		1958	
	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated	Obligated	Unobligated
Balances of prior authorizations for expenditure:								
Appropriations enacted or recommended.....	\$215, 402, 758	\$282, 624, 428	\$140, 877, 305	\$309, 721, 006	\$145, 259, 229	\$232, 241, 735	\$184, 038, 499	\$142, 597, 602
Appropriations proposed for later transmission.....	-----	-----	-----	-----	1, 469, 515	-----	50, 031, 500	-----
Authorizations to expend from debt receipts.....	2, 947, 022, 963	1, 997, 720, 820	1, 840, 646, 931	1, 224, 372, 788	2, 607, 151, 386	455, 728, 333	2, 196, 936, 873	353, 942, 846
Balances of authorizations to expend from debt receipts proposed for later transmission.....	-----	-----	-----	-----	2, 500, 000	-----	2, 000, 000	-----
Balances of contract authorizations.....	-----	70, 500, 000	-----	48, 000, 000	-----	24, 000, 000	-----	-----
Balances in revolving and management funds (including U. S. Government securities held).....	582, 683	99, 617, 763	27, 716, 556	70, 166, 743	29, 267, 579	80, 664, 908	9, 911, 172	103, 979, 041
Total balances available at start of year.....	3, 163, 008, 404	2, 450, 463, 011	2, 009, 240, 792	1, 652, 260, 537	2, 785, 647, 709	792, 634, 976	2, 442, 918, 044	600, 519, 489

**DEPARTMENT OF AGRICULTURE**  
**SUMMARY OF EXPENDITURES AND BALANCES**

	1955 actual	1956 estimate	1957 estimate
<b>EXPENDITURES</b>			
<b>From new authorizations enacted or recommended in this document:</b>			
Out of new obligational authority:			
Current authorizations.....		\$1, 035, 300, 984	\$2, 099, 917, 211
Permanent authorizations.....		26, 236, 258	75, 627, 527
Total expenditures from new authorizations enacted or recommended.....		1, 061, 537, 242	2, 175, 544, 738
<b>From authorizations proposed for later transmission:</b>			
Out of current authorizations:			
Pay increase costs.....		14, 421, 385	-----
Other.....		7, 975, 000	425, 537, 000
Out of balances of prior expenditure authorizations:			
Pay increase costs.....	\$7, 654, 568, 807	-----	544, 515
Other.....		-----	3, 425, 000
Total expenditures from authorizations proposed for later transmission.....		22, 396, 385	429, 506, 515
<b>Other expenditures:</b>			
Out of balances of prior expenditure authorizations.....		2, 580, 867, 474	1, 059, 975, 021
Out of receipts and balances of revolving and management funds.....		3, 299, 540, 336	3, 707, 166, 381
Total other expenditures.....		5, 880, 407, 810	4, 767, 141, 402
Total budget expenditures.....	7, 654, 568, 807	6, 964, 341, 437	7, 372, 192, 655
Deduct receipts of public enterprise funds.....	3, 018, 310, 291	3, 311, 589, 524	3, 711, 124, 107
Net budget expenditures.....	4, 636, 258, 516	3, 652, 751, 913	3, 661, 068, 548
<b>BALANCES NOT EXPENDED</b>			
Balances no longer available.....	156, 471, 911	30, 362, 375	24, 000, 000
<b>Balances carried forward at end of year in—</b>			
Appropriations enacted or recommended.....	450, 598, 311	377, 500, 964	326, 636, 101
Appropriations proposed for later transmission.....		1, 469, 515	50, 031, 500
Authorizations to expend from debt receipts.....	3, 065, 019, 719	3, 062, 879, 719	2, 550, 879, 719
Authorizations to expend from debt receipts proposed for later transmission.....		2, 500, 000	2, 000, 000
Contract authorizations.....	48, 000, 000	24, 000, 000	-----
Revolving and management funds.....	97, 883, 299	109, 932, 487	113, 890, 213
Total balances carried forward at end of year.....	3, 661, 501, 329	3, 578, 282, 685	3, 043, 437, 533
Net expenditures and balances.....	8, 454, 231, 756	7, 261, 396, 973	6, 728, 506, 081

**SUMMARY OF BALANCES NO LONGER AVAILABLE**

	1955 actual	1956 estimate	1957 estimate
Balances expiring and lapsing and adjustment of balances downward (net).....	\$156, 471, 911	\$30, 362, 375	\$24, 000, 000



## BUDGET AUTHORIZATIONS AND EXPENDITURES

## BY ORGANIZATION UNIT AND ACCOUNT TITLE

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (appropriations unless otherwise specified)			EXPENDITURES (from prior year and new authorizations)			
		1955 enacted	1956		1957 estimate	1955 actual	1956 estimate	1957 estimate
			Estimate	Anticipated pay increase supplemental				
RECAPITULATION BY ORGANIZATION UNIT								
Agricultural Research Service.....		\$91,326,668	\$104,623,718	\$4,405,000	\$124,733,662	\$88,855,361	\$116,077,065	\$121,284,106
Extension Service.....		42,760,871	49,045,000	110,000	52,830,000	42,059,040	48,226,676	51,802,000
Farmer Cooperative Service.....		408,000	408,000	24,400	477,000	394,432	430,000	472,000
Forest Service.....		112,738,506	129,075,729	2,511,400	138,550,200	106,801,935	130,053,015	135,818,970
Soil Conservation Service.....		74,907,671	81,300,000	3,750,000	92,147,000	73,990,083	82,440,800	88,593,300
Agricultural Conservation Program Service.....		191,700,000	214,500,000		225,000,000	235,147,121	220,000,000	220,000,000
Agricultural Marketing Service.....		282,696,652	270,186,492	1,305,000	305,906,740	165,291,080	333,945,785	375,434,140
Foreign Agricultural Service.....		2,359,000	3,365,000	141,600	3,610,000	1,682,286	3,828,506	3,602,500
Commodity Exchange Authority.....		701,795	731,000	49,000	787,400	710,032	779,000	794,500
Commodity Stabilization Service.....		99,776,218	277,197,896	150,000	391,874,716	105,294,265	277,558,255	389,859,656
Commodity Credit Corporation <sup>1</sup> .....		1,500,000,000	2,001,634,659		929,287,178	3,413,058,729	2,026,777,990	1,423,437,665
Federal Crop Insurance Corporation.....		6,000,000	6,000,000	214,200	6,210,000	12,279,955	12,363,367	3,818,928
Rural Electrification Administration.....		252,383,490	242,680,000	461,500	203,500,000	204,021,197	223,109,600	238,661,024
Farmers' Home Administration.....		176,920,000	198,000,000	1,470,000	206,435,000	180,265,017	170,660,689	188,692,000
Office of the General Counsel.....		2,121,000	2,140,000	151,400	2,373,500	2,147,846	2,248,000	2,290,000
Office of the Secretary.....		2,094,520	2,144,300	138,700	2,397,000	2,072,207	2,295,673	2,443,192
Office of Information.....		1,196,000	1,238,000	43,500	1,331,000	1,519,579	1,258,000	1,296,500
Library.....		669,950	659,950	40,200	773,000	668,351	699,492	768,067
New agricultural measures.....					462,000,000			412,000,000
Total new obligational authority and net budget expenditures.....		2,840,760,341	3,584,929,744	14,965,900	3,150,223,396	4,636,258,516	3,652,751,913	3,661,068,548
ENACTED OR RECOMMENDED IN THIS DOCUMENT								
Current authorizations (Other than revolving and management funds)								
Agricultural Research Service:								
Salaries and expenses.....	355	\$68,514,423	\$70,933,700	\$4,344,000	\$79,860,000	\$56,108,928	\$74,600,000	\$76,400,000
Payments to States, Hawaii, Alaska, and Puerto Rico.....	355	19,453,708	24,753,708		27,503,708	19,371,572	24,751,000	27,496,000
Research on strategic and critical agricultural materials.....	355	334,760	300,000	16,000	316,000	331,778	330,000	316,000
Foot-and-mouth and other contagious diseases of animals and poultry.....	355	1,811,525	1,900,000	45,000	3,993,000	3,417,831	2,685,000	3,500,000
Reappropriation.....	355	1,212,252	197,413					
Reimbursements to Commodity Credit Corporation for advances for animal disease eradication activities.....	355				13,060,954			13,060,954
Repayment to Commodity Credit Corporation for eradication of foot-and-mouth and other contagious diseases of animals and poultry.....	355		5,788,897				5,788,897	
Animal disease laboratory facilities.....	355		250,000				250,000	
Miscellaneous accounts:								
Research facilities, Agricultural Research Service.....	355					3,016,524	6,600,000	250,000
Research on agricultural problems of Alaska, Office of Experiment Stations, Agricultural Research Administration.....	355					34,101	294	
Salaries and expenses, Bureau of Agricultural and Industrial Chemistry, Agricultural Research Administration.....	355					993,133	376,938	50,256
Salaries and expenses, Bureau of Animal Industry, Agricultural Research Administration.....	355					2,222,366	115,030	
Salaries and expenses, Bureau of Dairy Industry, Agricultural Research Administration.....	355					247,698	12,300	6,660
Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration.....	355					1,097,634	40,758	
Salaries and expenses, Bureau of Human Nutrition and Home Economics, Agricultural Research Administration.....	355					232,959	46,920	51,236
Salaries and expenses, Bureau of Plant Industry, Soils and Agricultural Engineering, Agricultural Research Administration.....	355					1,734,876	143,666	
Salaries and expenses, Office of Administrator, Agricultural Research Administration.....	355					26,161	610	
Salaries and expenses, Office of Experiment Stations, Agricultural Research Administration.....	355					43,618	2,066	
Virgin Islands agricultural program, Office of Experiment Stations, Agricultural Research Administration.....	355					10,683	495	
Total, Agricultural Research Service.....		91,326,668	104,123,718	4,405,000	124,733,662	88,889,862	115,743,974	121,131,106

<sup>1</sup> Excludes appropriations and expenditures carried under other organization units to reimburse Commodity Credit Corporation, as follows: Appropriations—1955, \$441,655; 1956, \$184,199,109; 1957, \$270,849,682; and expenditures—1955, \$441,655; 1956, \$183,943,391; 1957, \$270,849,682.

## BUDGET AUTHORIZATIONS AND EXPENDITURES—Continued

BY ORGANIZATION UNIT AND ACCOUNT TITLE—Continued

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (appropriations unless otherwise specified)				EXPENDITURES (from prior year and new authorizations)		
		1955 enacted	1956		1957 estimate	1955 actual	1956 estimate	1957 estimate
			Estimate	Anticipated pay increase supplemental				
ENACTED OR RECOMMENDED IN THIS DOCUMENT—Continued								
Current authorizations—Continued								
Extension Service:								
Payments to States, Hawaii, Alaska, and Puerto Rico.....	355	\$39,475,000	\$45,475,000		\$49,115,000	\$39,387,342	\$44,544,000	\$48,107,000
Salaries and expenses, Federal Extension Service.....	355	3,285,871	3,570,000	\$110,000	3,715,000	2,671,698	3,682,676	3,695,000
Total, Extension Service.....		42,760,871	49,045,000	110,000	52,830,000	42,059,040	48,226,676	51,802,000
Farmer Cooperative Service:								
Salaries and expenses.....	355	408,000	408,000	24,400	477,000	394,432	430,000	472,000
Forest Service:								
Salaries and expenses.....	402	51,970,191	55,088,000	2,463,500	60,938,000	49,740,755	57,400,000	60,300,000
Forest roads and trails.....	402	22,100,000	24,000,000		24,000,000	18,149,017	23,700,000	23,900,000
Acquisition of lands for national forests, Weeks Act.....	402	125,000	190,000			95,039	125,000	125,000
Acquisition of lands for national forests, special acts (annual indefinite, special account).....	402	10,000	10,000			5,149	7,500	7,500
State and private forestry cooperation.....	402	10,696,676	11,337,129	47,900	11,385,000	10,393,799	11,350,000	11,350,000
Cooperative range improvements (special account).....	402	400,000	700,000		700,000	459,921	670,000	695,000
Miscellaneous accounts:								
Acquisition of lands for national forests, Superior National Forest.....	402					56,461	100,000	100,000
Land utilization projects (annual indefinite).....	354					30,124		
Smoke jumper facilities.....	402					42,543	4,500	270
Total, Forest Service.....		85,301,867	91,325,129	2,511,400	97,023,000	78,972,808	93,357,000	96,477,770
Soil Conservation Service:								
Conservation operations.....	354	59,735,671	59,300,000	3,750,000	65,215,000	60,263,263	62,025,000	63,813,000
Watershed protection.....	354	7,210,000	12,000,000		16,000,000	6,234,632	10,073,000	13,750,000
Flood prevention.....	354	7,482,000	10,000,000		10,700,000	7,152,703	9,974,000	10,700,000
Water conservation and utilization projects.....	354	480,000			232,000	339,485	368,800	330,300
Total, Soil Conservation Service.....		74,907,671	81,300,000	3,750,000	92,147,000	73,990,083	82,440,800	88,593,300
Agricultural Conservation Program Service:								
Agricultural conservation program.....	354	191,700,000	214,500,000		225,000,000	235,147,121	220,000,000	220,000,000
Agricultural Marketing Service:								
Marketing research and service.....	355	22,035,701	23,049,000	1,305,000	25,568,000	18,874,738	23,857,000	25,058,000
Payments to States, Territories, and possessions.....	355	900,000	1,000,000		1,100,000	900,000	1,000,000	1,100,000
School lunch program.....	217	83,236,197	83,236,197		83,236,000	83,099,027	83,400,000	83,300,000
Reimbursement to Commodity Credit Corporation.....	355	441,655			367,740	441,655		367,740
Miscellaneous accounts:								
Agricultural Marketing Act.....	355					669,643	110,000	53,676
Exportation and domestic consumption of agricultural commodities (cotton price adjustment).....	351					• 133	• 122	
Salaries and expenses, Bureau of Agricultural Economics.....	355					607,763	3,361	
Salaries and expenses, marketing services, Production and Marketing Administration.....	355					1,207,205	5,418	
Research and Marketing Act of 1946.....	355					159,912	55,700	39,924
Total, Agricultural Marketing Service.....		106,613,553	107,285,197	1,305,000	110,271,740	105,959,810	108,431,357	109,919,340
Foreign Agricultural Service:								
Salaries and expenses.....	355	2,359,000	3,365,000	141,600	3,610,000	1,652,965	3,827,000	3,602,500
Commodity Exchange Authority:								
Salaries and expenses.....	355	701,795	731,000	49,000	787,400	710,032	779,000	794,500
Commodity Stabilization Service:								
Agricultural adjustment programs.....	351	40,176,218	39,000,000	150,000	41,463,000	39,838,452	39,148,488	41,447,940
Sugar Act program.....	351	59,600,000	59,600,000		67,600,000	69,650,679	60,000,000	65,900,000
Reimbursements to Commodity Credit Corporation:								
Emergency famine relief to friendly peoples, title II, act of July 10, 1954.....	152				88,628,927			88,628,927
Costs of special programs and transfers of commodities.....	351				168,792,061			168,792,061
International Wheat Agreement.....	351		57,378,551				57,378,551	
Emergency famine relief to friendly peoples, act of Aug. 7, 1953.....	152		9,545,830				9,537,154	

• Deduct, excess of repayments and collections over expenditures.



## BUDGET AUTHORIZATIONS AND EXPENDITURES—Continued

BY ORGANIZATION UNIT AND ACCOUNT TITLE—Continued

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (appropriations unless otherwise specified)				EXPENDITURES (from prior year and new authorizations)		
		1955 enacted	1956		1957 estimate	1955 actual	1956 estimate	1957 estimate
			Estimate	Anticipated pay increase supplemental				
ENACTED OR RECOMMENDED IN THIS DOCUMENT—Continued								
Current authorizations—Continued								
Commodity Stabilization Service—Continued								
Reimbursement to Commodity Credit Corporation for emergency feed assistance.....	352		\$42,100,000				\$41,915,799	
Reimbursement to Commodity Credit Corporation for transfer of wheat to Pakistan.....	152		69,385,831				69,322,990	
Miscellaneous: Administration of Price Adjustment Act of 1938.....	351					\$1,134		
Total, Commodity Stabilization Service.....		\$99,776,218	277,010,212	\$150,000	\$366,483,988	109,487,997	277,302,982	\$364,768,928
Federal Crop Insurance Corporation:								
Operating and administrative expenses.....	351	6,000,000	6,000,000	214,200	6,210,000	5,077,508	6,965,800	6,540,400
Rural Electrification Administration:								
Loans: Authorization to expend from public debt receipts.....	353	245,000,000	235,000,000		194,800,000	196,528,922	215,000,000	230,000,000
Salaries and expenses.....	353	7,383,490	7,680,000	461,500	8,700,000	7,492,275	8,109,600	8,661,024
Total, Rural Electrification Administration.....		252,383,490	242,680,000	461,500	203,500,000	204,021,197	223,109,600	238,661,024
Farmers' Home Administration:								
Loans: Authorization to expend from public debt receipts.....	352	153,000,000	168,000,000		164,500,000	145,383,107	160,047,817	165,300,000
(Farm housing: Authorization to expend from public debt receipts).....	517					37,385	92,183	
Salaries and expenses.....	352	23,920,000	24,850,000	1,470,000	26,405,000	24,135,052	26,580,520	26,400,000
Total, Farmers' Home Administration.....		176,920,000	192,850,000	1,470,000	190,905,000	169,555,544	186,720,520	191,700,000
Office of the General Counsel:								
Salaries and expenses.....	355	2,121,000	2,140,000	151,400	2,335,000	2,147,846	2,248,000	2,253,000
Office of the Secretary:								
Salaries and expenses.....	355	2,094,520	2,144,300	138,700	2,397,000	2,093,691	2,282,000	2,395,000
Office of Information:								
Salaries and expenses.....	355	1,196,000	1,238,000	43,500	1,331,000	1,518,591	1,258,000	1,296,500
Library:								
Salaries and expenses.....	355	669,950	659,950	40,200	773,000	668,597	699,600	768,000
Total current authorizations, other than revolving and management funds.....		1,137,240,603	1,376,805,506	14,965,900	1,480,814,790	1,122,347,124	1,373,822,309	1,501,175,368
Permanent authorizations								
(Indefinite appropriation, special account, unless otherwise indicated)								
Forest Service:								
Expenses, brush disposal.....	402	3,912,611	4,300,000		4,500,000	2,793,142	4,000,000	4,300,000
Roads and trails for States, national forests fund.....	402	6,559,408	7,753,900		10,418,500	7,976,570	7,700,000	7,787,000
National forests funds:								
Development and improvement of a ranger dwelling, Tonto National Forest.....	402	15,500					15,000	500
Forest fire prevention.....	402	32,221	30,000		30,000	38,346	35,000	30,000
Payment to Minnesota (Cook, Lake, and Saint Louis Counties) from the national forests fund.....	402	45,769	46,200		46,400	45,769	46,200	46,400
Payment due counties, submarginal land program, Farm Tenant Act.....	354	374,968	375,000		375,000	374,968	375,000	375,000
Payment to school funds, Arizona and New Mexico, act of June 20, 1910 (receipt limitation) (indefinite appropriation, general account).....	402	102,579	114,300		115,000	102,579	114,300	115,000
Payments to States and Territories from the national forests fund.....	402	16,393,583	19,381,200		26,042,300	16,425,137	19,381,649	26,042,300
Total, Forest Service.....		27,436,639	32,000,600		41,527,200	27,756,511	31,667,149	38,696,200
Agricultural Marketing Service:								
Perishable Agricultural Commodities Act fund.....	355	444,174	460,000		460,000	419,400	514,300	514,800
Removal of surplus agricultural commodities (indefinite appropriation, general account).....	351	175,638,925	162,441,295		195,175,000	58,904,736	225,000,000	265,000,000
Total, Agricultural Marketing Service.....		176,083,099	162,901,295		195,635,000	59,324,136	225,514,300	265,514,800

\* Deduct, excess of repayments and collections over expenditures.



## BUDGET AUTHORIZATIONS AND EXPENDITURES—Continued

BY ORGANIZATION UNIT AND ACCOUNT TITLE—Continued

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (appropriations unless otherwise specified)				EXPENDITURES (from prior year and new authorizations)		
		1955 enacted	1956		1957 estimate	1955 actual	1956 estimate	1957 estimate
			Estimate	Anticipated pay increase supplemental				
<b>ENACTED OR RECOMMENDED IN THIS DOCUMENT—Continued</b>								
<b>Permanent authorizations—Continued</b>								
<b>Commodity Stabilization Service:</b>								
National Wool Act (indefinite appropriation, general account).....	351		\$187, 684		\$25, 390, 728		\$187, 684	\$25, 390, 728
Total permanent authorizations.....		\$203, 519, 738	195, 089, 579		262, 552, 928	\$87, 080, 647	257, 369, 133	329, 601, 728
<b>Revolving and management funds</b>								
<b>Public enterprise funds (see "New authorizations" and "Funds applied" in detail section below).....</b>		1, 500, 000, 000	2, 001, 634, 659		929, 287, 178	6, 449, 280, 940	5, 325, 080, 250	5, 112, 807, 300
<b>Intragovernmental funds (see "Net effect on budget expenditures" in detail section below).....</b>						a 4, 139, 904	94, 745	a 353, 741
Total revolving and management funds.....		1, 500, 000, 000	2, 001, 634, 659		929, 287, 178	6, 445, 141, 036	5, 325, 174, 995	5, 112, 453, 559
Total.....		2, 840, 760, 341	3, 573, 529, 744	\$14, 965, 900	2, 672, 654, 896	7, 654, 568, 807	6, 956, 366, 437	6, 943, 230, 655
Deduct anticipated pay increase supplementals.....				14, 965, 900			14, 421, 385	544, 515
Total enacted or recommended in this document.....		2, 840, 760, 341	3, 573, 529, 744		2, 672, 654, 896	7, 654, 568, 807	6, 941, 945, 052	6, 942, 686, 140
<b>PROPOSED FOR LATER TRANSMISSION</b>								
<b>Under existing legislation</b>								
Anticipated pay increase supplementals (see above).....				14, 965, 900			14, 421, 385	544, 515
<b>Agricultural Research Service:</b>								
Salaries and expenses.....	355		500, 000				350, 000	150, 000
<b>Forest Service:</b>								
Salaries and expenses.....	402		5, 750, 000				5, 000, 000	750, 000
<b>Farmers' Home Administration:</b>								
Loans: Farm housing: Authorization to expend from public debt receipts.....	517		5, 000, 000				2, 500, 000	2, 500, 000
Salaries and expenses.....	352		150, 000				125, 000	25, 000
<b>New agricultural measures—additional research and extension.....</b>	355				12, 000, 000			12, 000, 000
<b>Under proposed legislation</b>								
<b>New agricultural measures—soil bank and accompanying proposals.....</b>	350				450, 000, 000			400, 000, 000
<b>Farmers' Home Administration:</b>								
Loans: Authorization to expend from public debt receipts.....	352				15, 000, 000			13, 000, 000
Salaries and expenses.....	352				530, 000			500, 000
<b>Office of General Counsel:</b>								
Salaries and expenses.....	355				38, 500			37, 000
Total proposed for later transmission.....			11, 400, 000	14, 965, 900	477, 568, 500		22, 396, 385	429, 506, 515
Grand total.....		2, 840, 760, 341	3, 584, 929, 744	14, 965, 900	3, 150, 223, 396	7, 654, 568, 807	6, 964, 341, 437	7, 372, 192, 655
Deduct receipts of public enterprise funds (see "Funds provided" in detail section below).....						3, 018, 310, 291	3, 311, 589, 524	3, 711, 124, 107
Total new obligational authority and net budget expenditures.....		2, 840, 760, 341	3, 584, 929, 744	14, 965, 900	3, 150, 223, 396	4, 636, 258, 516	3, 652, 751, 913	3, 661, 068, 548

a Deduct, excess of repayments and collections over expenditures.

## REVOLVING AND MANAGEMENT FUNDS

(Including budget authorizations therefor from the general fund)

Organization unit and account title	Functional code No.	NEW AUTHORIZATIONS (authorizations to expend from public debt receipts unless otherwise specified)			FUNDS PROVIDED (by operations)		
		1955	1956	1957	1955	1956	1957
ENACTED OR RECOMMENDED IN THIS DOCUMENT							
Public enterprise funds							
Commodity Credit Corporation:							
Limitation on administrative expenses.....	351	(\$25,290,000)	<sup>1</sup> (\$30,964,000)	(\$31,000,000)	\$2,842,411,085	\$2,966,517,021	\$3,291,855,620
Increase in borrowing authority.....	351	1,500,000,000	2,000,000,000				
Restoration of capital impairment (current appropriation).....	351		1,634,659	929,287,178			
Price support, supply, and related programs.....	351						
Loan to Secretary of Agriculture for conservation program.....	354				62,143,881	32,450,000	18,450,000
Transfers and other costs for eradication of foot-and-mouth disease.....	355					5,788,897	1,269,330
Transfers and other costs for eradication of brucellosis in cattle.....	355					841,303	11,791,624
Cotton classing and tobacco grading.....	351				441,655	75,000	367,740
Transfer of hay and pasture seeds to Federal land administering agencies.....	351						184,678
International Wheat Agreement.....	351					57,378,551	101,130,155
Emergency assistance to Pakistan—wheat.....	152					69,322,990	
Emergency assistance to friendly peoples.....	152					9,537,154	88,628,927
Sales for foreign currencies: Cost of commodities and other expenditures.....	351					10,000,000	92,477,228
Emergency feed program—cost of commodities.....	352				257,897	41,915,799	
Total, Commodity Credit Corporation.....		1,500,000,000	2,001,634,659	929,287,178	2,905,254,518	3,193,826,715	3,606,155,302
Federal Crop Insurance Corporation:							
Capital and insurance fund.....	351				22,761,896	24,301,633	26,342,472
Farmers' Home Administration:							
Disaster loans, etc., revolving fund.....	352				88,875,301	90,660,176	73,703,833
Farm tenant-mortgage insurance fund.....	352				1,418,576	2,801,000	4,622,500
Total public enterprise funds.....		1,500,000,000	2,001,634,659	929,287,178	3,018,310,291	3,311,589,524	3,711,124,107
Intragovernmental funds							
Agricultural Research Service:							
Working capital fund, Agricultural Research Center.....	355				2,568,913	2,632,247	2,625,000
Advances and reimbursements.....	355				5,397,847	6,609,355	6,734,605
Extension Service:							
Advances and reimbursements.....	355				5,892	614	
Farmer Cooperative Service:							
Advances and reimbursements.....	355				3,065		
Forest Service:							
Working capital fund.....	402						15,508,000
Advances and reimbursements.....	402				7,689,050	9,024,130	1,300,300
Soil Conservation Service:							
Advances and reimbursements.....	354				1,688,647	1,736,530	1,755,000
Agricultural Conservation Program Service:							
Advances and reimbursements.....	354				745,387	444,000	444,000
Agricultural Marketing Service:							
Advances and reimbursements.....	355				624,346	571,867	571,500
Foreign Agricultural Service:							
Advances and reimbursements.....	355				87,970	94,223	94,223
Commodity Exchange Authority:							
Advances and reimbursements.....	355				37		
Commodity Stabilization Service:							
Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938.....	354				14,126,141	16,435,185	16,665,565
Local administration, sec. 388, Agricultural Adjustment Act of 1938.....	354				99,566,625	101,502,588	106,398,500
Advances and reimbursements.....	351				831,526	1,191,093	988,900
Federal Crop Insurance Corporation:							
Advances and reimbursements.....	351				4,127	2,500	
Rural Electrification Administration:							
Advances and reimbursements.....	353				9,132		
Farmers' Home Administration:							
Advances and reimbursements.....	352				110,949	130,000	130,000
Office of the General Counsel:							
Advances and reimbursements.....	355				1,253	1,200	1,200
Office of the Secretary:							
Working capital fund.....	355				2,270,150	2,356,800	2,300,800
Advances and reimbursements.....	355				111,523	45,872	2,720
Office of Information:							
Advances and reimbursements.....	355				29,659		
Library:							
Advances and reimbursements.....	355				105,356	107,000	55,300
Total intragovernmental funds.....					135,977,595	142,885,204	155,575,613
Total revolving and management funds.....		1,500,000,000	2,001,634,659	929,287,178	3,154,287,886	3,454,474,728	3,866,699,720

<sup>1</sup> Includes \$4,964,000 proposed increase in limitation.

**REVOLVING AND MANAGEMENT FUNDS**  
(Including budget authorizations therefor from the general fund)

FUNDS APPLIED (to operations)			NET EFFECT ON BUDGET EXPENDITURES			Organization unit and account title
1955	1956	1957	1955	1956	1957	
						<b>ENACTED OR RECOMMENDED IN THIS DOCUMENT</b>
						<b>Public enterprise funds</b>
						<b>Commodity Credit Corporation:</b>
\$5,939,928,485	\$4,227,485,707	\$4,323,894,228	\$3,097,517,400	\$1,260,968,686	\$1,032,038,608	Limitation on administrative expenses
						Increase in borrowing authority
						Restoration of capital impairment (current appropriation)
43,450,000	43,450,000	43,450,000	* 18,693,881	11,000,000	25,000,000	Price support, supply, and related programs
1,301,215	2,005,387	49,190	1,301,215	* 3,783,510	* 1,220,140	Loan to Secretary of Agriculture for conservation program
12,405,994	15,276,933	375,000	12,405,994	14,435,630	* 11,416,624	Transfers and other costs for eradication of foot-and-mouth disease
434,767	256,981	432,098	* 6,888	181,981	64,358	Transfers and other costs for eradication of brucellosis in cattle
149,659	35,019		149,659	35,019	* 184,678	Cotton classing and tobacco grading
99,718,111	87,050,840	2,105,875	99,718,111	29,672,289	* 99,024,280	Transfer of bay and pasture seeds to Federal land administering agencies
723,138			723,138	* 69,322,990		International Wheat Agreement
90,681,718	107,335,033	103,255,413	90,681,718	97,797,879	14,626,486	Emergency assistance to Pakistan—wheat
129,520,160	737,708,805	556,031,163	129,520,160	727,708,805	463,553,935	Emergency assistance to friendly peoples
			* 257,897	* 41,915,799		Sales for foreign currencies: Cost of commodities and other expenditures
						Emergency feed program—cost of commodities
6,318,313,247	5,220,604,705	5,029,592,967	3,413,058,729	2,026,777,990	1,423,437,665	Total, Commodity Credit Corporation
29,964,343	29,699,200	23,621,000	7,202,447	5,397,567	* 2,721,472	<b>Federal Crop Insurance Corporation:</b>
						Capital and insurance fund
99,623,435	71,896,738	55,176,333	10,748,134	* 18,763,438	* 18,527,500	<b>Farmers' Home Administration:</b>
1,379,915	2,879,607	4,417,000	* 38,661	78,607	* 505,500	Disaster loans, etc., revolving fund
						Farm tenant-mortgage insurance fund
6,449,280,940	5,325,080,250	5,112,807,300	3,430,970,649	2,013,490,726	1,401,683,193	Total public enterprise funds
						<b>Intragovernmental funds</b>
2,521,604	2,615,000	2,628,000	* 47,309	* 17,247	3,000	<b>Agricultural Research Service:</b>
5,410,655	6,609,693	6,734,605	12,808	338		Working capital fund, Agricultural Research Center
						Advances and reimbursements
5,892	614					<b>Extension Service:</b>
3,065						Advances and reimbursements
						<b>Farmer Cooperative Service:</b>
						Advances and reimbursements
		15,373,000			* 135,000	<b>Forest Service:</b>
7,761,666	9,052,996	1,330,300	72,616	28,866	30,000	Working capital fund
1,688,647	1,736,530	1,755,000				Advances and reimbursements
745,387	444,000	444,000				<b>Soil Conservation Service:</b>
631,480	571,995	571,500	7,134	128		Advances and reimbursements
117,291	95,729	94,223	29,321	1,506		<b>Agricultural Conservation Program Service:</b>
37						Advances and reimbursements
14,076,256	16,422,185	16,565,565	* 49,885	* 13,000	* 100,000	<b>Agricultural Marketing Service:</b>
95,208,931	101,480,686	106,198,500	* 4,357,694	* 21,902	* 200,000	Advances and reimbursements
1,045,373	1,293,584	988,900	213,847	102,491		<b>Foreign Agricultural Service:</b>
4,127	2,500					Advances and reimbursements
9,132						<b>Commodity Exchange Authority:</b>
110,949	130,000	130,000				Advances and reimbursements
1,253	1,200	1,200				<b>Commodity Stabilization Service:</b>
2,245,692	2,370,500	2,348,500	* 24,458	13,700	47,700	Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938
114,497	45,845	3,212	2,974	* 27	492	Local administration, sec. 388, Agricultural Adjustment Act of 1938
30,647			988			Advances and reimbursements
105,110	106,892	55,367	* 246	* 108	67	<b>Federal Crop Insurance Corporation:</b>
131,837,691	142,979,949	155,221,872	* 4,139,904	94,745	* 353,741	Advances and reimbursements
6,581,118,631	5,468,060,199	5,268,029,172	3,426,830,745	2,013,585,471	1,401,329,452	<b>Rural Electrification Administration:</b>
						Advances and reimbursements
						<b>Farmers' Home Administration:</b>
						Advances and reimbursements
						<b>Office of the General Counsel:</b>
						Advances and reimbursements
						<b>Office of the Secretary:</b>
						Working capital fund
						Advances and reimbursements
						<b>Office of Information:</b>
						Advances and reimbursements
						<b>Library:</b>
						Advances and reimbursements
						Total intragovernmental funds
						Total revolving and management funds

\* Deduct, excess of repayments and collections over expenditures.



## CURRENT AUTHORIZATIONS

## AGRICULTURAL RESEARCH SERVICE

## SALARIES AND EXPENSES

## Salaries and Expenses, Agricultural Research Service

For expenses necessary to perform agricultural research relating to production and utilization, to control and eradicate pests and plant and animal diseases, and to perform related inspection, quarantine and regulatory work, and meat inspection: *Provided*, That not to exceed \$15,000 of the appropriations hereunder shall be available for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase [(for emergency replacement only)] of not to exceed [one] three, of which two shall be for replacement only: *Provided further*, That appropriations hereunder shall be available pursuant to 5 U. S. C. 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of constructing any one building (except headhouses connecting greenhouses) shall not exceed \$7,500 and the cost of altering any one building during the fiscal year shall not exceed \$3,750 or two per centum of the cost of the building, whichever is greater: *Provided further*, That appropriations hereunder shall be available for uniforms, or allowances therefor, as authorized by the Act of September 1, 1954 [(68 Stat. 1114)], as amended (5 U. S. C. 2131):

**Research:** For research and demonstrations on the production and utilization of agricultural products, and related research and services, including administration of payments to State Agricultural Experiment Stations; [\$37,800,000] \$42,915,000: *Provided further*, That not to exceed \$1,550,000 shall be available for construction of buildings and for the acquisition of necessary land therefor by donation, or exchange, and not to exceed \$75,000 for alterations of buildings, without regard to limitations prescribed herein.

**Plant and animal disease and pest control:** For operations and measures to control and eradicate pests and plant and animal diseases and for carrying out assigned inspection, quarantine and regulatory activities, as authorized by law; [\$18,658,700] \$21,200,000, of which [\$1,000,000] \$1,500,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the control of outbreaks of insects and plant diseases under the joint resolution approved May 9, 1938 (7 U. S. C. 148-148e), and the Act of August 13, 1954 [(Public Law 586] 7 U. S. C. 148), to the extent necessary to meet emergency conditions: *Provided further*, That no part of this appropriation shall be used to pay the cost or value of trees, farm animals, farm crops, or other property injured or destroyed as a result of plant insect and disease control activities except potatoes and tomatoes as authorized under the Golden Nematode Act: *Provided further*, That, in the discretion of the Secretary, no part of this appropriation shall be expended for the control of sweet-potato weevil in any State until such State has provided cooperation necessary to accomplish this purpose, or for barberry eradication until a sum or sums at least equal to such expenditures shall have been made available by States, counties, or local authorities, or by individuals or organizations for the accomplishment of this purpose, or with respect to the golden nematode except as prescribed in section 4 of the Golden Nematode Act.

**Meat inspection:** For carrying out the provisions of laws relating to Federal inspection of meat and meat-food products and the applicable provisions of the laws relating to process or renovated butter; [\$14,325,000] \$15,745,000.

**Research:** For the construction of roads at the National Arboretum in accordance with the provisions of the Act of March 4, 1927 (44 Stat. 1422, 20 U. S. C. 191-194), \$150,000: *Provided*, That the construction of said roads may be performed by the Bureau of Public Roads, Department of Commerce.]

[Not to exceed \$25,000 of funds appropriated under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956, for research, shall be available for construction of a building at the United States Range Livestock Experiment Station, Miles City, Montana.] (5 U. S. C. 511-512, 524, 563-564, 565a, 576; 7 U. S. C. 135-135b, 141-167, 281-283, 362-363, 365-381, 385-386f, 391, 394-396, 397, 401-404, 421-422a, 424-425, 427, 427i, 429-431, 433-434, 436-437, 441, 851-855, 1292, 1651-1656; 15 U. S. C. 69e; 16 U. S. C. 581-581a, 581f, 590a-590b, 590f; 19 U. S. C. 1201, 1306; 20 U. S. C. 191-194; 21 U. S. C. 71-96, 101-105, 111-128, 130-131, 151-158, 346; 26 U. S. C. 2325, 2326e; 31 U. S. C. 725a; 45 U. S. C. 71-74; 46 U. S. C. 466a-466b; 48 U. S. C. 198, 1409m-1409o; 49 U. S. C. 177e, 181b; 46 Stat. 67; Public Res. 47, approved May 21, 1928; Public Res. 42, approved Feb. 8, 1930; Act of May 13, 1955 (69 Stat. 49); Act of Aug. 11, 1955 (69 Stat. 671); Department of Agriculture and Farm Credit Admin-

istration Appropriation Act, 1956; Department of the Interior and Related Agencies Appropriation Act, 1956; Supplemental Appropriation Act, 1956.)

Appropriated 1956, \$70,933,700

Estimate 1957, a \$79,860,000

a Excludes \$22,845 transferred in the estimates to "Salaries and expenses, Office of the Secretary of Agriculture." The amounts obligated in 1955 and 1956 are shown in the schedule as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
<b>Direct obligations:</b>			
1. Research:			
(a) Crops research.....	\$12,495,086	\$14,221,700	\$15,065,700
(b) Farm and land management research.....	6,557,573	7,330,555	7,984,100
(c) Livestock research.....	5,929,992	6,682,400	6,895,400
(d) Administration of payments to States, and Territorial research.....	713,146	841,000	841,000
(e) Home economics research.....	1,422,802	1,526,000	1,600,300
(f) Utilization research.....	9,046,841	9,665,500	10,528,500
Total research.....	36,165,440	40,267,155	42,915,000
2. Plant and animal disease and pest control:			
(a) Plant disease and pest control.....	9,077,209	10,352,700	11,850,900
(b) Animal disease and pest control.....	8,619,168	9,278,000	9,349,100
Total plant and animal disease and pest control.....	17,696,377	19,630,700	21,200,000
3. Meat inspection.....	14,618,335	15,369,000	15,745,000
Total direct obligations.....	68,480,152	75,266,855	79,860,000
<b>Reimbursable obligations:</b>			
2. Plant and animal disease and pest control: (b) Animal disease and pest control.....	11,558,697	15,000,000	-----
Total obligations.....	80,038,849	90,266,855	79,860,000
<b>Financing:</b>			
Comparative transfers from (-) or to other accounts.....	-470,651	22,845	-----
Unobligated balance transferred from "Foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Service" (5 U. S. C. 572).....	-----	-12,000	-----
Advances and reimbursements from other accounts.....	-11,558,697	-15,000,000	-----
Unobligated balance no longer available.....	504,922	-----	-----
Appropriation (adjusted).....	68,514,423	70,933,700	79,860,000
Proposed supplemental due to pay increases.....	-----	4,344,000	-----

## PROGRAM AND PERFORMANCE

The Agricultural Research Service conducts fundamental and applied research and demonstrations relating to the production and utilization of agricultural products, and those control and regulatory programs of the Department which involve enforcement of plant and animal quarantines, meat inspection, the control of diseases and insect pests of animals and plants, and related work.

The proposed increase provides for (a) expansion of research to meet pressing problems of agricultural production and utilization, including specific problems of Great Plains agriculture, (b) construction of research facilities amounting to \$1,485,000, and (c) meeting the increasing workload of plant and animal inspection and quarantine work, and meat inspection.

1. **Research**—(a) *Crops research*.—Investigations are conducted to develop improved varieties of food, feed, fiber, and other plants; to improve crop production practices including methods to control plant diseases; to improve methods for control of harmful and utilization of beneficial insects affecting farm production; and to develop and test new chemical formulations for the control of crop pests.

(b) *Farm and land management research*.—Investigations are conducted to improve fertilizers and soil man-



agement and irrigation practices; to develop and improve conservation practices; to study water yield, runoff, sedimentation, and other hydrologic problems of agricultural watersheds; to determine the relation of soils to plant, animal, and human nutrition; and to apply engineering principles to agriculture. Production economics research is conducted on profitable adjustments in farming by type and size of farm; efficiency in use of labor, equipment, land, and water; inventory and analysis of land resources; and problems of farm valuation, taxation, debt, tenure, risk, and insurance.

(c) *Livestock research.*—Investigations are conducted on farm livestock, poultry, and domestic fur animals to develop superior strains and types, establish nutritive requirements, determine means of maintaining maximum fertility, achieve efficient use of feed and forage in the production of meat, milk, eggs, wool, fur, and other products; develop practical methods of control of diseases and parasites affecting livestock; and develop improved livestock management methods.

(d) *Administration of payments to States, and Territorial research.*—Research under Federal grant funds at each State agricultural experiment station is coordinated with the research conducted by other States and by agencies of the Department. Agricultural experiment stations are operated in Puerto Rico, Virgin Islands, and Alaska.

(e) *Home economics research.*—Investigations are conducted on human nutritional requirements, the composition and nutritive value of foods, and household preparation and preservation of foods. Studies are made of household utilization of textiles, clothing, and equipment, and of family requirements for housing and related facilities. Investigations are also made of food consumption practices and the nutritive value and economy of customary diets, patterns of rural family expenditures and production for household use, and economic problems of household management.

(f) *Utilization research.*—Investigations are conducted in the field of chemistry and related physical and biological sciences to develop new and improved foods, feeds, drugs, fabrics, industrial chemicals, and other products from agricultural commodities; to devise improved methods for evaluating the suitability of commodities for processing; to devise better processing methods; to increase the use of byproducts; and to solve waste disposal problems.

2. *Plant and animal disease and pest control.*—(a) *Plant disease and pest control.*—The work consists of control and quarantine measures designed to protect agriculture from plant diseases and pests, including destructive insects, nematodes, and noxious weeds. The Federal Insecticide, Fungicide, and Rodenticide Act is administered and enforced. A supplemental appropriation for 1956 is proposed for later transmission and appears at the end of this chapter.

(b) *Animal disease and pest control.*—Measures are devised to exclude communicable diseases of foreign origin from this country; to prevent the spread of diseases through interstate shipments of livestock or distribution of impure or impotent veterinary biologics; to control and eradicate livestock diseases, and to maintain, through a marketing agreement with manufacturers and handlers, adequate supplies of hog cholera virus and serum for protection of swine.

The acceleration of the brucellosis eradication program conducted under this appropriation is authorized under title II, section 204 (e), Public Law 690, approved August 28, 1954. It provides that the program shall be

financed by transfer of not to exceed \$15 million annually for 2 years from funds available to the Commodity Credit Corporation. Current authorization for this accelerated program expires June 30, 1956.

The volume of inspections, interceptions of unauthorized plant materials, export certifications issued, and other protective activities is indicated by selected examples in the following table:

Item	Fiscal year
Plant inspection:	1955
Inspections at ports of entry:	
Airplanes.....	89, 205
Vessels.....	48, 205
Foreign mail packages.....	3, 253, 591
Interceptions of unauthorized plant material.....	216, 066
Export certificates issued.....	34, 784
Plant containers certified for export.....	12, 688, 479
Animal import-export inspection:	
All animals.....	426, 866
Import animal byproducts:	
Wool, bone, glands, etc..... pounds.....	722, 093, 073
Hides and skins..... pieces.....	56, 941, 568
Sheep inspected for scabies.....	5, 587, 267
Scabies-infected sheep found.....	34, 460
Cattle inspected for scabies.....	1, 146, 174
Scabies-infected cattle found.....	9, 523
Inspections and dippings for cattle fever ticks.....	1, 624, 528
Cattle tested for tuberculosis.....	9, 210, 810
Tuberculosis reactors found.....	11, 133
Cattle tested for brucellosis.....	14, 186, 241
Brucellosis reactors found.....	365, 247
Animals inspected at public stockyards.....	66, 277, 614
Diseased animals received or found.....	180, 904
Supervision of production of veterinary biologics:	
Hog cholera virus and anti-hog-cholera serum..... cubic centimeters.....	1, 107, 032, 745
Hog cholera vaccine..... doses.....	35, 360, 000

3. *Meat inspection.*—Federal meat inspection is required for all meat in interstate commerce and is conducted to assure a clean and wholesome meat supply for human consumption. The work includes inspection of animals, carcasses and meat, and meat-food products at various stages of handling and processing. Measures are enforced to insure informative labeling and meats imported or exported are inspected. Continuous inspection of the manufacture of process butter is also provided.

The volume of inspections and examinations performed annually is indicated by examples for the fiscal year 1955, given in the following table:

Item	Number of units, fiscal year 1955
Number of establishments covered.....	1, 120
Inspections of live animals.....	98, 200, 397
Post mortem inspections.....	98, 194, 761
Animals and carcasses condemned.....	287, 224
Inspection of processed meat and meat-food products..... pounds.....	16, 373, 853, 029

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
AGRICULTURAL RESEARCH SERVICE			
Total number of permanent positions.....	12, 295	12, 559	12, 185
Full-time equivalent of all other positions.....	1, 790	1, 942	771
Average number of all employees.....	12, 351	13, 364	11, 831
Number of employees at end of year.....	18, 286	14, 000	13, 200
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4, 844	\$5, 245	\$5, 361
Average grade.....	GS-7.0	GS-7.0	GS-7.2
Ungraded positions: Average salary.....	\$3, 472	\$3, 750	\$3, 757
Personal service obligations:			
Permanent positions.....	\$52, 000, 177	\$58, 978, 924	\$58, 222, 773
Positions other than permanent.....	7, 532, 550	8, 259, 970	2, 269, 534
Regular pay above 52-week base.....	198, 271	221, 538	-----
Payment above basic rates.....	483, 188	571, 000	545, 100
Other payments for personal services.....	3, 274	-----	-----
Total personal service obligations.....	60, 217, 460	68, 031, 432	61, 037, 407
Direct obligations:			
01 Personal services.....	54, 207, 460	59, 565, 132	61, 037, 407
02 Travel.....	2, 007, 933	2, 274, 000	2, 296, 100
03 Transportation of things.....	312, 697	344, 600	334, 100
04 Communication services.....	431, 279	490, 300	485, 400
05 Rents and utility services.....	532, 383	574, 300	576, 200
06 Printing and reproduction.....	425, 212	456, 500	476, 200
07 Other contractual services.....	2, 429, 792	2, 550, 100	2, 449, 500
Services performed by other agencies.....	2, 034, 079	2, 084, 700	2, 943, 700
08 Supplies and materials.....	3, 445, 976	3, 622, 493	3, 525, 363
09 Equipment.....	1, 753, 024	1, 833, 300	1, 715, 200
10 Lands and structures.....	191, 002	87, 000	1, 550, 000



## CURRENT AUTHORIZATIONS—Continued

## AGRICULTURAL RESEARCH SERVICE—Continued

## SALARIES AND EXPENSES—continued

## Salaries and Expenses, Agricultural Research Service—Continued

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>AGRICULTURAL RESEARCH SERVICE—CON.</b>			
Direct obligations—Continued			
13 Refunds, awards, and indemnities:			
Awards for employee suggestions.....	\$3,609	\$4,500	\$4,500
Brucellosis indemnities.....	331,945	548,500	548,500
Scrapie indemnities.....	52,481	50,000	50,000
Tuberculosis indemnities.....	276,193	280,000	280,000
Federal tort claims.....	2,085	2,000	2,000
15 Taxes and assessments.....	121,228	78,630	81,330
Contingency fund.....		351,300	1,500,000
Subtotal.....	68,558,378	75,197,355	79,855,500
Deduct charges for quarters and subsistence.....	78,226	80,500	80,500
Total direct obligations.....	68,480,152	75,116,855	79,775,000
Reimbursable obligations:			
01 Personal services.....	6,010,000	8,466,300	
02 Travel.....	114,000	220,500	
03 Transportation of things.....	41,000	94,400	
04 Communication services.....	119,400	164,700	
05 Rents and utility services.....	12,500	36,900	
06 Printing and reproduction.....	57,000	64,700	
07 Other contractual services.....	79,000	114,100	
Services performed by other agencies.....	2,200	3,500	
08 Supplies and materials.....	478,836	670,600	
09 Equipment.....	264,100	36,700	
13 Refunds, awards, and indemnities:			
Brucellosis indemnities.....	4,282,661	4,996,500	
15 Taxes and assessments.....	98,000	131,100	
Total reimbursable obligations.....	11,558,697	15,000,000	
Total, Agricultural Research Service.....	80,038,849	90,116,855	79,775,000
<b>ALLOCATION TO BUREAU OF PUBLIC ROADS, DEPARTMENT OF COMMERCE</b>			
Average number of all employees.....		3	2
Number of employees at end of year.....		0	0
01 Personal services: Positions other than permanent.....		\$15,000	\$8,000
04 Communication services.....		200	100
07 Other contractual services.....		2,000	1,400
08 Supplies and materials.....		800	500
10 Lands and structures.....		132,000	75,000
Total, Bureau of Public Roads.....		150,000	85,000
Total obligations.....	80,038,849	90,266,855	79,860,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>RUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$68,017,579	\$70,933,700	\$79,860,000
Transferred (69 Stat. 240) from:			
"Salaries and expenses, Federal Extension Service".....	408,369		
"Foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Service".....	88,475		
Adjusted appropriation.....	68,514,423	70,933,700	79,860,000
Proposed supplemental due to pay increases.....		4,344,000	
Unobligated balance transferred from "Foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Service," (5 U. S. C. 572).....		12,000	
Obligated balance brought forward.....		11,900,573	12,590,273
Total budget authorizations available.....	68,514,423	87,190,273	92,450,273
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	56,108,928	59,400,000	65,211,000
Out of anticipated supplemental appropriation.....		4,155,000	189,000
Out of prior authorizations.....		11,045,000	11,000,000
Total expenditures.....	56,108,928	74,600,000	76,400,000
Unobligated balance no longer available (expiring for obligation).....	504,922		
Obligated balance carried forward.....	11,900,573	12,590,273	16,050,273
Total expenditures and balances.....	68,514,423	87,190,273	92,450,273

## PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

## Payments to States, Hawaii, Alaska, and Puerto Rico, Agricultural Research Service

For payments to [the States, Hawaii, Alaska, and Puerto Rico to be paid quarterly in advance where applicable, to carry into effect the provisions of the following Acts relating to agricultural experiment stations:]

[Hatch Act, the Act approved March 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377–379), \$720,000; Adams Act, the Act approved March 16, 1906 (7 U. S. C. 369), \$720,000; Purnell Act, the Act approved February 24, 1925 (7 U. S. C. 361, 366, 370, 371, 373–376, 380, 382), \$2,880,000; Bankhead-Jones Act, title I of the Act approved June 29, 1935 (7 U. S. C. 427–427g), sections 3 and 5, \$2,863,708, and sections 9 and 11 of said Act as added by the Act of August 14, 1946 (7 U. S. C. 427h, 427j), including administration by the Office of Experiment Stations in the United States Department of Agriculture, \$16,800,000, no part of which latter amount shall be used for beginning construction of any building costing in excess of \$15,000; Hawaii, the Act approved May 16, 1928 (7 U. S. C. 386–386b), extending the benefits of certain Acts of Congress to the Territory of Hawaii, \$90,000; Alaska, the Act approved February 23, 1929 (7 U. S. C. 386c), extending the benefits of the Hatch Act to the Territory of Alaska, \$15,000, and the provisions of section 2 of the Act approved June 20, 1936, as amended (7 U. S. C. 369a), extending the benefits of the Adams and Purnell Acts to the Territory of Alaska, \$75,000; Puerto Rico, the Act approved March 4, 1931, as amended (7 U. S. C. 386d–386f), extending the benefits of certain Acts of Congress to Puerto Rico, \$90,000;] agricultural experiment stations to carry into effect the provisions of the Hatch Act, approved March 2, 1887 (7 U. S. C. 362, 363, 365, 368, 377–379), as amended by the Act approved August 11, 1955 (69 Stat. 671), including administration by the United States Department of Agriculture, \$27,003,708; and payments authorized under section 204 (b) of the Agricultural Marketing Act, the Act approved August 14, 1946 (7 U. S. C. 1623), \$500,000; in all, [payments to States, Hawaii, Alaska, and Puerto Rico, \$24,753,708] \$27,503,708. (Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, \$24,753,708

Estimate 1957, \$27,503,708

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Payments to agricultural experiment stations.....	\$19,080,677	\$24,249,708	\$26,917,208
2. Federal administration.....	326,926	504,000	586,500
Total obligations.....	19,407,603	24,753,708	27,503,708
<b>Financing:</b>			
Unobligated balance no longer available.....	46,105		
Appropriation.....	19,453,708	24,753,708	27,503,708

## PROGRAM AND PERFORMANCE

Funds are allotted to the agricultural experiment stations of the land-grant colleges in the States, Hawaii, Alaska, and Puerto Rico for agricultural research, including investigations and experiments to promote a permanent and efficient agricultural industry and improvements in the rural home and rural life. The allotments are made primarily on the basis of prescribed amounts in the authorizing acts and partly on the basis of need in specific areas to find solutions to agricultural problems. The States are contributing about \$3 to \$1 paid by the Federal Government.

The proposed increase is to strengthen the cooperative research program at the State, Territorial, and Puerto Rico agricultural experiment stations.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	49	63	73
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	35	60	69
Number of employees at end of year.....	34	62	73



## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,844	\$5,245	\$5,361
Average grade.....	GS-7.0	GS-7.0	GS-7.2
01 Personal services:			
Permanent positions.....	\$245,290	\$390,000	\$451,200
Positions other than permanent.....	2,774	3,500	3,500
Regular pay above 52-week base.....	1,100	1,500	
Payment above basic rates.....	979		
Total personal services.....	250,143	395,000	454,700
02 Travel.....	29,918	46,000	56,000
03 Transportation of things.....	1,161	2,000	2,500
04 Communication services.....	1,643	2,500	3,000
06 Printing and reproduction.....	7,183	9,000	11,000
07 Other contractual services.....	1,605	2,000	4,000
Services performed by other agencies.....	16,605	26,600	31,000
08 Supplies and materials.....	1,143	2,700	3,600
09 Equipment.....	17,314	18,000	20,500
11 Grants, subsidies, and contributions:			
Hatch Act approved Mar. 2, 1887, as amended by the act of Aug. 11, 1955.....	18,580,677	23,749,708	26,417,208
Agricultural Marketing Act (title II), sec. 204 (b), approved Aug. 14, 1949.....	500,000	500,000	500,000
15 Taxes and assessments.....	211	200	200
Total obligations.....	19,407,603	24,753,708	27,503,708

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$19,453,708	\$24,753,708	\$27,503,708
Obligated balance brought forward.....	24,874	48,666	51,374
Total budget authorizations available.....	19,478,582	24,802,374	27,555,082
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	19,359,185	24,703,300	27,445,600
Out of prior authorizations.....	12,387	47,700	50,400
Total expenditures.....	19,371,572	24,751,000	27,496,000
Balance no longer available:			
Unobligated (expiring for obligation).....	46,105		
Other.....	12,239		
Obligated balance carried forward.....	48,666	51,374	59,082
Total expenditures and balances.....	19,478,582	24,802,374	27,555,082

## RESEARCH ON STRATEGIC AND CRITICAL AGRICULTURAL MATERIALS

## Research on Strategic and Critical Agricultural Materials, Agricultural Research Service

For expenses necessary to carry out section 7 (b) of the Strategic and Critical Materials Stock Piling Act of July 23, 1946 (50 U. S. C. 98f), **[\$300,000] \$316,000: Provided,** That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service". (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

Appropriated 1956, \$300,000

Estimate 1957, \$316,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
1. Investigations of domestic production of vegetable tannins.....	\$103,641	\$76,500	\$76,500
2. Development of a domestic source of castor oil.....	115,743	121,600	121,600
3. Research on domestic production of strategic fibers.....	110,969	117,900	117,900
Total obligations.....	330,353	316,000	316,000
Financing:			
Unobligated balance no longer available.....	4,407		
Appropriation (adjusted).....	334,760	300,000	316,000
Proposed supplemental due to pay increases.....		16,000	

## PROGRAM AND PERFORMANCE

On recommendation and approval of the Office of Defense Mobilization, investigations are made of the feasibility of developing domestic sources of supplies of any agricultural material or substitute for it determined by that Office to be strategic and critical.

1. *Investigations of domestic production of vegetable tannins.*—These studies aim at domestic production of crops from which materials for tanning leather can be derived, and development of methods of extracting such materials.

2. *Development of a domestic source of castor oil.*—Work on this strategic oil is devoted to developing improved varieties of castor beans adapted to mechanical harvesting and to improving equipment for growing and harvesting the crop.

3. *Research on domestic production of strategic fibers.*—This work centers on the domestic production of fibers that can be used for such purposes as lines and ropes on naval vessels and as substitutes for jute.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	46	42	42
Full-time equivalent of all other positions.....	11	11	11
Average number of all employees.....	52	50	50
Number of employees at end of year.....	45	52	52
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,844	\$5,245	\$5,361
Average grade.....	GS-7.0	GS-7.0	GS-7.2
Ungraded positions: Average salary.....	\$3,472	\$3,750	\$3,757
01 Personal services:			
Permanent positions.....	\$187,670	\$177,000	\$177,500
Positions other than permanent.....	28,916	28,600	28,600
Regular pay above 52-week base.....	584	500	
Payment above basic rates.....	107		
Total personal services.....	217,277	206,100	206,100
02 Travel.....	9,641	10,200	10,200
03 Transportation of things.....	4,531	3,300	3,300
04 Communication services.....	466	600	600
05 Rents and utility services.....	10,337	9,800	9,800
06 Printing and reproduction.....	218	500	500
07 Other contractual services.....	24,732	21,000	21,000
Services performed by other agencies.....	27,020	29,500	29,500
08 Supplies and materials.....	24,312	23,700	23,700
09 Equipment.....	10,563	10,400	10,400
15 Taxes and assessments.....	1,256	900	900
Total obligations.....	330,353	316,000	316,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$331,500	\$300,000	\$316,000
Transferred from "Salaries and expenses, Federal Extension Service" (69 Stat. 240).....	3,260		
Adjusted appropriation.....	334,760	300,000	316,000
Proposed supplemental due to pay increases.....		16,000	
Obligated balance brought forward.....	42,468	40,599	26,599
Increase in prior year obligations.....	1,096		
Total budget authorizations available.....	378,324	356,599	342,599
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	292,987	275,000	290,400
Out of anticipated supplemental appropriation.....		15,400	600
Out of prior authorizations.....	38,791	39,600	25,000
Total expenditures.....	331,778	330,000	316,000
Balance no longer available:			
Unobligated (expiring for obligation).....	4,407		
Other.....	1,549		
Obligated balance carried forward.....	40,599	26,599	26,599
Total expenditures and balances.....	378,324	356,599	342,599



## CURRENT AUTHORIZATIONS—Continued

## AGRICULTURAL RESEARCH SERVICE—Continued

## FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF ANIMALS AND POULTRY

## Foot-and-Mouth and Other Contagious Diseases of Animals and Poultry, Agricultural Research Service

Eradication activities: For expenses necessary in the arrest and eradication of foot-and-mouth disease, rinderpest, contagious pleuropneumonia, or other contagious or infectious diseases of animals, or European fowl pest and similar diseases in poultry, including the payment of claims growing out of destruction of animals (including poultry) affected by or exposed to, or of materials contaminated by or exposed to, any such disease, when there has been compliance with all lawful quarantine regulations, and for foot-and-mouth disease and rinderpest programs undertaken pursuant to the provisions of the Act of February 28, 1947, and the Act of May 29, 1884, as amended (7 U. S. C. 391; 21 U. S. C. 111-122), including expenses in accordance with section 2 of said Act of February 28, 1947, the Secretary may transfer from other appropriations or funds available to the bureaus, corporations, or agencies of the Department such sums as he may deem necessary, but not to exceed **[\$2,250,000] \$1,550,000** for eradication of vesicular exanthema of swine, to be available only in an emergency which threatens the livestock or poultry industry of the country, and any unexpended balances of funds transferred under this head in the next preceding fiscal year shall be merged with such transferred amounts: *Provided*, That, except for payments made pursuant to said Act of February 28, 1947, the payment for animals may be made on appraisalment based on the meat, egg-production, dairy, or breeding value, but in case of appraisalment based on breeding value no appraisalment of any animal shall exceed three times its meat, egg-production, or dairy value and, except in case of an extraordinary emergency to be determined by the Secretary, the payment by the United States shall not exceed one-half of any such appraisements: *Provided further*, That this appropriation shall be subject to applicable provisions contained in the item "Salaries and expenses, Agricultural Research Service".

Research: For expenses necessary for research authorized by the Act of April 24, 1948 (21 U. S. C. 113a), **[\$1,900,000] \$3,993,000**, (5 U. S. C. 2131; Act of May 13, 1955 (69 Stat. 49); Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, **\$1,900,000**Estimate 1957, **\$3,993,000**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Eradication activities:			
(a) Eradication of foot-and-mouth disease.....	\$1,367,175		
(b) Eradication of vesicular exanthema of swine.....	2,081,975	\$2,153,000	
2. Research.....	1,731,604	1,945,000	\$3,993,000
Total obligations.....	5,180,754	4,098,000	3,993,000
<b>Financing:</b>			
Advances and reimbursements from other accounts.....	-1,230,000	-1,967,587	
Unobligated balance transferred (21 U. S. C. 129) from—			
"Grants, farm housing, Farmers' Home Administration, Department of Agriculture".....	-500		
"Agricultural conservation program, Agriculture".....	-1,197,481		
Unobligated balance transferred to "Salaries and expenses, Agricultural Research Service" (5 U. S. C. 372).....		12,000	
Unobligated balance no longer available. Recovery of prior year obligations.....	276,720	-5,716	
Appropriation (adjusted).....	1,811,525	1,900,000	3,993,000
Proposed supplemental due to pay increases.....		45,000	
Reappropriation.....	1,212,252	197,413	

## PROGRAM AND PERFORMANCE

1. *Eradication activities.*—After discovery of foot-and-mouth disease in Mexico in 1946, measures were undertaken to prevent the spread of the disease into the United States and to assist Mexico in control and eradication. Mexico was declared free of the disease on September 1, 1952. An outbreak of foot-and-mouth disease occurred

in Mexico in May 1953, but by December 31, 1954, Mexico was declared free of the disease.

On August 1, 1952, an emergency was declared as the result of the spread of vesicular exanthema of swine. Cooperative measures have been undertaken to eradicate the disease. Chief means of spread of the disease is through feeding of uncooked garbage. To further eradication efforts, 46 States now have laws or regulations requiring the cooking of garbage fed to swine.

Funds for carrying out these eradication programs have been transferred from other funds available to the Department. Corporate funds so used are subsequently repaid from specific appropriations for that purpose.

2. *Research.*—Foot-and-mouth disease research was initiated in fiscal year 1955 on Plum Island, N. Y., in facilities made available to the Department of Agriculture by the Department of the Army. Pending completion of new facilities now under construction, the current research program is limited in scope. In view of the anticipated completion of the new laboratory this fiscal year, the estimates include an increase to undertake a full-scale research program.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	840	569	491
Full-time equivalent of all other positions.....	3	3	1
Average number of all employees.....	615	511	472
Number of employees at end of year.....	507	515	475
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,844	\$5,245	\$5,361
Average grade.....	GS-7.0	GS-7.0	GS-7.2
Ungraded positions: Average salary.....	\$3,472	\$3,750	\$3,757
01 Personal services:			
Permanent positions.....	\$2,550,274	\$2,175,491	\$2,022,000
Positions other than permanent.....	9,069	9,325	3,000
Regular pay above 52-week base.....	7,826	9,325	
Payment above basic rates.....	178,245	63,000	125,500
Total personal services.....	2,745,414	2,257,316	2,150,500
02 Travel.....	384,102	306,000	33,000
03 Transportation of things.....	38,345	9,000	16,000
04 Communication services.....	31,627	25,000	22,000
05 Rents and utility services.....	29,539	28,000	52,000
06 Printing and reproduction.....	3,662	3,000	6,000
07 Other contractual services.....	264,837	118,000	228,000
Services performed by other agencies.....	469,410	457,439	269,100
08 Supplies and materials.....	538,501	579,845	994,000
09 Equipment.....	203,703	81,000	226,000
10 Lands and structures.....	44,956		
13 Refunds, awards, and indemnities:			
Payments to Mexican-United States Commission for the eradication and prevention of foot-and-mouth disease.....	237,000		
Vesicular exanthema indemnities.....	165,081	230,000	
Federal tort claims.....	371		
15 Taxes and assessments.....	30,462	10,200	6,700
Subtotal.....	5,187,010	4,104,800	4,003,300
Deduct charges for quarters and subsistence.....	6,256	6,800	10,300
Total obligations.....	5,180,754	4,098,000	3,993,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$1,900,000	\$1,900,000	\$3,993,000
Transferred to "Salaries and expenses, Agricultural Research Service" (69 Stat. 240).....	-88,475		
Adjusted appropriation.....	1,811,525	1,900,000	3,993,000
Proposed supplemental due to pay increases.....		45,000	
Reappropriation of prior year balance.....	1,212,252	197,413	
Unobligated balance transferred (21 U. S. C. 129) from—			
"Grants, farm housing, Farmers' Home Administration".....	500		
"Agricultural conservation program, Agriculture".....	1,197,481		



## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE—con.</b>			
Obligated balance brought forward.....	\$425,545	\$952,752	\$398,165
Total budget authorizations available.....	4,647,303	3,095,165	4,391,165
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	3,418,846	1,710,000	3,183,000
Out of anticipated supplemental appropriation.....		43,000	2,000
Out of prior authorizations.....	-1,015	932,000	315,000
Total expenditures.....	3,417,831	2,685,000	3,500,000
Unobligated balance transferred to "Salaries and expenses, Agricultural Research Service" (5 U. S. C. 572).....		12,000	
Unobligated balance no longer available (expiring for obligation).....	276,720		
Obligated balance carried forward.....	952,752	398,165	891,165
Total expenditures and balances....	4,647,303	3,095,165	4,391,165

## REIMBURSEMENTS TO COMMODITY CREDIT CORPORATION FOR ADVANCES FOR ANIMAL DISEASE ERADICATION ACTIVITIES

## Reimbursements to Commodity Credit Corporation for Advances for Animal Disease Eradication Activities, Agricultural Research Service

To reimburse the Commodity Credit Corporation for authorized transfers (including interest through June 30, 1956) as follows: (1) \$1,269,330 for sums transferred to the appropriation "Foot-and-mouth and other contagious diseases of animals and poultry", fiscal year 1955, for eradication activities, pursuant to authority contained under such head in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1955, and (2) \$11,791,624 for sums transferred to the appropriation "Salaries and expenses, Agricultural Research Service", fiscal year 1955, for brucellosis eradication, pursuant to section 204 (e) of the Act of August 28, 1954 (7 U. S. C. 397).

Estimate 1957, \$13,060,954

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Reimbursement for costs incurred in prior fiscal years:			
(a) For eradication of foot-and-mouth disease.....		\$5,788,897	\$1,269,330
(b) For brucellosis eradication.....			11,791,624
Total obligations.....		5,788,897	13,060,954
<b>Financing:</b>			
Comparative transfers from other accounts.....		-5,788,897	
Appropriation.....			13,060,954

## PROGRAM AND PERFORMANCE

This appropriation is to repay advances from Commodity Credit Corporation for costs incurred under the following authorized programs:

(a) *Eradication of foot-and-mouth disease.*—The Secretary is authorized to transfer from other appropriations or funds available to the Department such sums as he deems necessary for the eradication of foot-and-mouth and other contagious diseases of animals and poultry. Pursuant to this authorization, \$1,269,330, including interest through June 30, 1956, was advanced from the Commodity Credit Corporation, for the eradication of foot-and-mouth disease in fiscal year 1955.

(b) *Eradication of brucellosis.*—The Secretary is authorized to transfer up to \$15 million annually for the fiscal years 1955 and 1956 from funds available to Commodity Credit Corporation to accelerate the brucellosis eradication program. Pursuant to this authorization,

\$11,791,624, including interest through June 30, 1956, was advanced from the Commodity Credit Corporation for the acceleration of the brucellosis eradication program in the fiscal year 1955.

## OBLIGATIONS BY OBJECTS

11 Grants, subsidies, and contributions: Reimbursement to Commodity Credit Corporation—1956, \$5,788,897; 1957, \$13,060,954.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....			\$13,060,954
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures (out of current authorizations).....			13,060,954

## [REPAYMENT TO COMMODITY CREDIT CORPORATION FOR ERADICATION OF FOOT-AND-MOUTH AND OTHER CONTAGIOUS DISEASES OF ANIMALS AND POULTRY]

## Repayment to Commodity Credit Corporation for Eradication of Foot-and-Mouth and Other Contagious Diseases of Animals and Poultry, Agricultural Research Service

[For reimbursement to Commodity Credit Corporation for sums transferred to the appropriation "Eradication of foot-and-mouth and other contagious diseases of animals and poultry", fiscal year 1954 (including interest thereon through June 30, 1955), pursuant to authority contained under such head in the Department of Agriculture Appropriation Act, 1954, \$5,788,897.] (Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, \$5,788,897

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Financing:</b>			
Comparative transfers to other accounts.....		\$5,788,897	
Appropriation.....		5,788,897	

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....		\$5,788,897	
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures (out of current authorizations).....		5,788,897	

## [ANIMAL DISEASE LABORATORY FACILITIES]

## Animal Disease Laboratory Facilities, Agricultural Research Service

[For preparation of plans and specifications for construction of facilities for animal disease research and control, and for surveys to determine the cost of acquiring and altering facilities which may be made suitable for such work, including employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), \$250,000, to remain available until expended.] (Supplemental Appropriation Act, 1956.)

Appropriated 1956, \$250,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Surveys, plans, and specifications (total obligations).....		\$250,000	
<b>Financing:</b>			
Appropriation.....		250,000	

## CURRENT AUTHORIZATIONS—Continued

## AGRICULTURAL RESEARCH SERVICE—Continued

## [ANIMAL DISEASE LABORATORY FACILITIES]—continued

## Animal Disease Laboratory Facilities, Agricultural Research Service—Continued

## PROGRAM AND PERFORMANCE

The Supplemental Appropriation Act, 1956, provided \$250,000 for surveys, plans, and specifications for constructing or altering animal disease research and control laboratory facilities. Preliminary plans and drawings are being prepared and a supplemental estimate will be submitted in the fiscal year 1956 to cover alteration or construction of such facilities.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Full-time equivalent of all other positions.....		1	
Average number of all employees.....		2	
Number of employees at end of year.....		0	
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$5,245	
Average grade.....		GS-7.0	
01 Personal services:			
Permanent positions.....		\$5,760	
Positions other than permanent.....		3,000	
Total personal services.....		8,760	
02 Travel.....		3,000	
04 Communication services.....		300	
07 Other contractual services.....		220,000	
Services performed by other agencies.....		17,740	
08 Supplies and materials.....		100	
09 Equipment.....		100	
Total obligations.....		250,000	

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....		\$250,000	
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....		250,000	

## Miscellaneous

## Research Facilities, Agricultural Research Service

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
Facilities for research on foot-and-mouth and other diseases of animals (total obligations).....	\$988,117	\$1,067,454	
Financing:			
Unobligated balance brought forward.....	-2,055,571	-1,067,454	
Unobligated balance carried forward.....	1,067,454		
Appropriation.....			

## PROGRAM AND PERFORMANCE

The research laboratory and related facilities for investigation of foot-and-mouth and other animal diseases, for which \$10 million was appropriated in 1952, are expected to be completed about March 1956.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
AGRICULTURAL RESEARCH SERVICE			
Average number of all employees.....	1	1	
Number of employees at end of year.....	2		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,844	\$5,245	
Average grade.....	GS-7.0	GS-7.0	
01 Personal services:			
Permanent positions.....	\$15,145	\$6,700	
Regular pay above 52-week base.....	54		
Total personal services.....	15,199	6,700	
02 Travel.....	11		
03 Transportation of things.....	29		
05 Rents and utility services.....	832		
07 Other contractual services.....	451,768	64,000	
08 Supplies and materials.....	14,709	2,267	
09 Equipment.....	60,127	299,000	
10 Lands and structures.....	322,605	468,000	
Total, Agricultural Research Service.....	865,280	839,967	
ALLOCATION TO CORPS OF ENGINEERS, DEPARTMENT OF THE ARMY			
Total number of permanent positions.....	16	23	
Average number of all employees.....	16	23	
Number of employees at end of year.....	43		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,140	\$6,605	
Average grade.....	GS-11.0	GS-11.0	
01 Personal services:			
Permanent positions.....	\$96,385	\$147,932	
Regular pay above 52-week base.....	370	568	
Payment above basic rates.....	696	1,500	
Total personal services.....	97,451	150,000	
02 Travel.....	3,944	4,500	
04 Communication services.....	300	500	
07 Other contractual services.....	20,293	71,487	
09 Equipment.....	849	1,000	
Total, Corps of Engineers.....	122,837	227,487	
Total obligations.....	988,117	1,067,454	

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Balance brought forward:			
Unobligated.....	\$2,055,571	\$1,067,454	
Obligated.....	7,818,005	5,789,598	\$257,052
Total budget authorizations available.....	9,873,576	6,857,052	257,052
EXPENDITURES AND BALANCES			
Total expenditures (out of prior authorizations).....	3,016,524	6,600,000	250,000
Balance carried forward:			
Unobligated.....	1,067,454		
Obligated.....	5,789,598	257,052	7,052
Total expenditures and balances.....	9,873,576	6,857,052	257,052

## Miscellaneous Accounts, Agricultural Research Service

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Obligated balance brought forward.....	\$7,792,683	\$847,229	\$108,152
Increase in prior year obligations.....	38,359		
Total budget authorizations available.....	7,831,042	847,229	108,152



## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>EXPENDITURES AND BALANCES</b>			
Expenditures (out of prior authorizations):			
“Research on agricultural problems of Alaska, Office of Experiment Stations, Agricultural Research Administration”	\$34,101	\$294	-----
“Salaries and expenses, Bureau of Agricultural and Industrial Chemistry, Agricultural Research Administration”	993,133	376,938	\$50,256
“Salaries and expenses, Bureau of Animal Industry, Agricultural Research Administration”	2,222,366	115,030	-----
“Salaries and expenses, Bureau of Dairy Industry, Agricultural Research Administration”	247,698	12,300	6,660
“Salaries and expenses, Bureau of Entomology and Plant Quarantine, Agricultural Research Administration”	1,097,634	40,758	-----
“Salaries and expenses, Bureau of Human Nutrition and Home Economics, Agricultural Research Administration”	232,959	46,920	51,236
“Salaries and expenses, Bureau of Plant Industry, Soils, and Agricultural Engineering, Agricultural Research Administration”	1,734,876	143,666	-----
“Salaries and expenses, Office of Administrator, Agricultural Research Administration”	26,161	610	-----
“Salaries and expenses, Office of Experiment Stations, Agricultural Research Administration”	43,618	2,066	-----
“Virgin Islands agricultural program, Office of Experiment Stations, Agricultural Research Administration”	10,683	495	-----
Total expenditures	6,643,229	739,077	108,152
Balance no longer available (other than unobligated, expiring for obligation)	340,584	-----	-----
Obligated balance carried forward	847,229	108,152	-----
Total expenditures and balances	7,831,042	847,229	108,152

## Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

“Flood prevention, Soil Conservation Service.”  
 “Watershed protection, Soil Conservation Service.”  
 “Marketing research and service, Agricultural Marketing Service.”  
 “School lunch program, Agricultural Marketing Service.”  
 “Research and development, Army.”  
 “Military personnel, Army.”  
 “Research and development, Air Force.”  
 “Procurement and production, Army.”  
 “Maintenance and operations, Army.”  
 “Operating expenses, Atomic Energy Commission.”  
 “Construction and rehabilitation, Bureau of Reclamation.”  
 “General investigations, Bureau of Reclamation.”  
 “Indian moneys, proceeds of labor, agencies, schools, etc.”  
 “United States dollars advanced from foreign governments, United States information and educational program, Department of State.”  
 “Abaca fiber program, General Services Administration.”  
 “Commodity Credit Corporation capital fund.”  
 “Mutual security, funds appropriated to the President.”  
 “Delegations, Federal Civil Defense Administration.”

## EXTENSION SERVICE

## INTRODUCTORY STATEMENT

Extension work is a nationwide cooperative undertaking of the United States Department of Agriculture, the State land-grant colleges, counties and municipalities. Its primary function is out-of-school applied education in agriculture and home economics. It brings to rural people and others the results of research conducted by the Department, the colleges, and other agencies. Its objective is to help people help themselves to attain greater efficiency in farming, marketing, and homemaking, thereby improving their economic status and their family and community life.

## PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO

## Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service

For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended by the Act of June 26, 1953 ([Public Law 83], \$44,155,000) 7 U. S. C. 341-348) and the Act of August 11, 1955 (69 Stat. 683-4), \$47,620,000; and payments and contracts for such work under section 204 (b)—205 of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623-1624), [\$1,320,000] \$1,495,000; in all, [\$45,475,000] \$49,115,000: *Provided*, That funds hereby appropriated pursuant to section 3 (c) of the Act of June 26, 1953 [(Public Law 83)], shall not be paid to any State, Hawaii, Alaska, or Puerto Rico prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

Appropriated 1956, \$45,475,000 Estimate 1957, \$49,115,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Payments for cooperative agricultural extension work under Smith-Lever Act	\$38,443,801	\$44,155,000	\$47,620,000
2. Payments for cooperation in farm forestry extension work under the Clarke-McNary Act	88,000	-----	-----
3. Payments and contracts under the Agricultural Marketing Act	924,548	1,320,000	1,495,000
Total obligations	39,456,349	45,475,000	49,115,000
<b>Financing:</b>			
Unobligated balance no longer available	18,651	-----	-----
Appropriation (adjusted)	39,475,000	45,475,000	49,115,000

## PROGRAM AND PERFORMANCE

1. *Payments for cooperative agricultural extension work under Smith-Lever Act.*—Funds appropriated under the Smith-Lever Act are distributed to each State, Hawaii, Alaska, and Puerto Rico, on the basis of formulas stipulated in the act. The funds are used within the States primarily for the employment of county extension workers. These workers provide counsel and assistance to farm families for the improvement of agriculture and family living in day-to-day operations as well as sound long-time farm and home programs. Work with youth is largely through 4-H Clubs. The proposed increase would be used to further strengthen the extension program emphasizing the farm unit approach as an effective teaching method in the application of the results of research and advancing technology in the solutions of problems of individual farm families; and to conduct pilot extension programs geared to the needs of low-income and part-time farmers in disadvantaged agricultural areas.

2. *Payments for cooperation in farm forestry extension work.*—The work formerly conducted under this activity and appropriated under the Clarke-McNary Act has been shifted to, and become part of that financed by appropriations under the Smith-Lever Act.

3. *Payments and contracts under the Agricultural Marketing Act.*—Funds appropriated under sections 204 (b) and 205 of the Agricultural Marketing Act of 1946 for educational work applicable to the marketing and distribution of agricultural products are distributed to the States, Hawaii, Alaska, and Puerto Rico, on a matching basis under approved projects, and on the basis of contracts with the States. The proposed increase under this act is for the purpose of expanding marketing educational work.



## CURRENT AUTHORIZATIONS—Continued

## EXTENSION SERVICE—Continued

## PAYMENTS TO STATES, HAWAII, ALASKA, AND PUERTO RICO—CON.

## Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service—Continued

The costs of the work conducted under both acts are currently shared as follows: Federal appropriations, 41.4 percent, funds from within the States, 58.6 percent.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
07 Other contractual services.....	\$125,000	\$125,000	\$140,000
11 Grants, subsidies, and contributions.....	39,331,349	45,350,000	48,975,000
Total obligations.....	39,456,349	45,475,000	49,115,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$39,675,000	\$45,475,000	\$49,115,000
Transferred to "Salaries and expenses, Farmers' Home Administration" (69 Stat. 240).....	—200,000	-----	-----
Adjusted appropriation.....	39,475,000	45,475,000	49,115,000
Obligated balancee brought forward.....	121,144	94,795	977,000
Total budget authorizations available.....	39,596,144	45,569,795	50,092,000
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	39,361,554	44,502,000	48,056,000
Out of prior authorizations.....	25,788	42,000	51,000
Total expenditures.....	39,387,342	44,544,000	48,107,000
Balance no longer available:			
Unobligated (expiring for obligation).....	18,651	-----	-----
Other.....	95,356	48,795	-----
Obligated balancee carried forward.....	94,795	977,000	1,985,000
Total expenditures and balancees.....	39,596,144	45,569,795	50,092,000

## FEDERAL EXTENSION SERVICE

## Salaries and Expenses, Federal Extension Service

Administration and coordination: For administration of the Smith-Lever Act, as amended by the Act of June 26, 1953 ([Public Law 83] 7 U. S. C. 341-348 and the Act of August 11, 1955 (69 Stat. 683-4)), and extension aspects of the Agricultural Marketing Act of 1946 (7 U. S. C. 1621-1627), and to coordinate and provide program leadership for the extension work of the Department and the several States, Territories, and insular possessions, [\$1,920,000] \$2,065,000.

Penalty mail: For costs of penalty mail for cooperative extension agents, \$1,650,000. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

Appropriated 1956, **\$3,570,000** Estimate 1957, **\$3,715,000**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
1. Coordination, administration, and program leadership of cooperative extension work.....	\$1,616,770	\$2,030,000	\$2,065,000
2. Penalty mail for cooperative extension agents.....	1,548,544	1,650,000	1,650,000
Total obligations.....	3,165,314	3,680,000	3,715,000
Financing:			
Comparative transfers to other accounts.....	3,847	-----	-----
Unobligated balancee no longer available.....	116,710	-----	-----
Appropriation (adjusted).....	3,285,871	3,570,000	3,715,000
Proposed supplemental due to pay increases.....	-----	110,000	-----

## PROGRAM AND PERFORMANCE

The Federal Extension Service administers the nationwide system of cooperative extension work in agriculture and home economics in cooperation with the State land-grant colleges and universities. The Service provides leadership, counsel and assistance to the States and Territories with respect to (1) overall policies, (2) program development and adjustment in line with changing conditions and new technology, (3) modern effective informal teaching methods, (4) organization of staff and work for most efficient use of resources available, (5) evaluation of methods, procedures, and results obtained, and (6) in-service training for extension personnel.

As the educational agency of the Department, the Service coordinates all the Department's educational activities and works closely with research and action agencies of the Department, other departments of Government, and national organizations, to advance efficient agricultural and homemaking practices in the program of work of each State and Territory. The States are supplied with the latest information regarding departmental programs of direct concern to farm people.

Leadership and assistance is provided the States in the planning and development of extension programs in agriculture, home economics, 4-H Club work, marketing, utilization, and information. State and county extension personnel are assisted and trained in developing and using more effective teaching methods and are provided with other types of direct program and procedural help.

Funds to cover the cost of penalty mailings of the cooperative extension agents in the States are also provided under this appropriation.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	246	271	264
Full-time equivalent of all other positions.....	2	2	2
Average number of all employees.....	211	260	256
Number of employees at end of year.....	234	265	259
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,767	\$6,377	\$6,577
Average grade.....	GS-8.2	GS-8.4	GS-8.6
Ungraded positions: Average salary.....	\$5,554	\$3,733	\$3,932
01 Personal services:			
Permanent positions.....	\$1,230,823	\$1,631,092	\$1,659,442
Positions other than permanent.....	3,768	4,763	7,397
Regular pay above 52-week base.....	5,086	6,334	-----
Payment above basic rates.....	2,208	-----	-----
Other payments for personal services.....	6,100	8,314	8,314
Total personal services.....	1,247,985	1,650,503	1,675,153
02 Travel.....	175,424	195,000	200,000
03 Transportation of things.....	33,904	32,000	32,000
04 Communication services.....	21,030	21,000	21,800
Penalty mail for cooperative agents.....	1,548,544	1,650,000	1,650,000
05 Rents and utility services.....	411	500	500
06 Printing and reproduction.....	66,962	63,197	65,397
07 Other contractual services.....	5,557	12,000	12,450
Services performed by other agencies.....	24,300	32,500	33,000
08 Supplies and materials.....	12,402	12,000	12,400
09 Equipment.....	27,872	10,000	11,000
15 Taxes and assessments.....	923	1,300	1,300
Total obligations.....	3,165,314	3,680,000	3,715,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$3,867,500	\$3,570,000	\$3,715,000
Transferred (69 Stat. 240) to—			
"Salaries and expenses, Agricultural Research Service".....	—408,369	-----	-----



## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE—con.</b>			
Transferred (69 Stat. 240) to—Continued			
“Research on strategic and critical agricultural materials, Agricultural Research Service”	—\$3,260		
“Salaries and expenses, Forest Service”	—170,000		
Adjusted appropriation	3,285,871	\$3,570,000	\$3,715,000
Proposed supplemental due to pay increases		110,000	
Obligated balance brought forward	88,147	582,750	580,074
Total budget authorizations available	3,374,018	4,262,750	4,295,074
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations	2,586,417	2,995,032	3,116,000
Out of anticipated supplemental appropriation		105,968	4,032
Out of prior authorizations	85,281	581,676	574,968
Total expenditures	2,671,698	3,682,676	3,695,000
Balance no longer available:			
Unobligated (expiring for obligation)	116,710		
Other	2,860		
Obligated balance carried forward	582,750	580,074	600,074
Total expenditures and balances	3,374,018	4,262,750	4,295,074

## FARMER COOPERATIVE SERVICE

## Salaries and Expenses, Farmer Cooperative Service

For necessary expenses to carry out the Act of July 2, 1926 (7 U. S. C. 451–457), **[\$408,000] \$477,000.** (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

Appropriated 1956, **\$408,000**Estimate 1957, **\$477,000**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Research and technical assistance for farmers' cooperatives (total obligations)	\$400,104	\$432,400	\$477,000
<b>Financing:</b>			
Unobligated balance no longer available	7,896		
Appropriation	408,000	408,000	477,000
Proposed supplemental due to pay increases		24,400	

## PROGRAM AND PERFORMANCE

The Farmer Cooperative Service provides research, advisory, and educational assistance to farmers' marketing, purchasing, and service cooperatives. The work relates to problems of management, financing, organization, policies, merchandising, costs, efficiency, and membership. Much of this work is carried out in cooperation with the Extension Service, land-grant colleges, and other Federal-State agencies.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions	63	60	65
Average number of all employees	52	56	61
Number of employees at end of year	58	57	62
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary	\$5,774	\$6,192	\$6,246
Average grade	GS-8.3	GS-8.3	GS-8.4
<b>01 Personal services:</b>			
Permanent positions	\$304,942	\$352,041	\$386,690
Regular pay above 52-week base	1,178	1,359	
Payment above basic rates	46		
Total personal services	306,166	353,400	386,690

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
02 Travel	\$27,034	\$30,000	\$33,800
03 Transportation of things	706	700	700
04 Communication services	7,886	7,600	8,400
06 Printing and reproduction	38,118	31,800	35,700
07 Other contractual services	11,234	3,200	4,110
Services performed by other agencies	2,503	2,000	2,000
08 Supplies and materials	2,087	2,300	2,700
09 Equipment	3,704	900	2,300
13 Refunds, awards, and indemnities	6	100	100
15 Taxes and assessments	660	400	500
Total obligations	400,104	432,400	477,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation	\$408,000	\$408,000	\$477,000
Proposed supplemental due to pay increases		24,400	
Obligated balance brought forward	41,651	47,295	49,695
Increase in prior year obligations	35		
Total budget authorizations available	449,686	479,695	526,695
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations	352,809	360,100	423,000
Out of anticipated supplemental appropriation		22,900	1,500
Out of prior authorizations	41,623	47,000	47,500
Total expenditures	394,432	430,000	472,000
Balance no longer available:			
Unobligated (expiring for obligation)	7,896		
Other	63		
Obligated balance carried forward	47,295	49,695	54,695
Total expenditures and balances	449,686	479,695	526,695

## Miscellaneous

## Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

“Marketing research and service, Agricultural Marketing Service.”

“Mutual security, funds appropriated to the President.”

## FOREST SERVICE

## INTRODUCTORY STATEMENT

The Service carries on three primary functions: (1) Protection, development, and use of about 181 million acres of land in national forests in the United States, Alaska, and Puerto Rico; and management of land utilization projects covering about 7 million acres; (2) cooperation with States and private forest landowners to obtain better fire protection on approximately 431 million acres of forest lands and better forest practices on about 345 million acres of privately owned commercial timberlands, to encourage reforestation, and stimulate development and management of State, county, and community forests; and (3) research for all forest lands and related ranges to bring about better protection from fire, insects, and diseases; to increase productivity, and facilitate full utilization of forest, water, and range resources, and more profitable production of timber and forage. Included in these three primary functions are construction and maintenance of roads and trails, control of forest pests, protection against floods, land exchange, and a number of cooperative projects.



## CURRENT AUTHORIZATIONS—Continued

## FOREST SERVICE—Continued

## SALARIES AND EXPENSES

## Salaries and Expenses, Forest Service

For expenses necessary, including not to exceed \$15,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), including travel expenses of advisory councils or similar groups; to experiment and make investigations and report on forestry, national forests, forest fires, forest insects and diseases, and lumbering; to advise the owners of woodlands as to the proper care of the same; to investigate and test American timber and timber trees and their uses, and methods, for the preservative treatment of timber; to seek, through investigations and the planting of native and foreign species, suitable trees for the treeless regions; to protect, administer, and improve the national forests, including tree planting and other measures to prevent erosion, drift, surface wash, soil waste, and the formation of floods, and to conserve water; to ascertain the natural conditions upon and utilize the national forests, to transport and care for fish and game supplied to stock the national forests or the waters therein; for management of lands acquired under the land utilization program; and to collate, digest, report, and illustrate the results of experiments and investigations made by the Forest Service: *Provided*, That the appropriations available to the Forest Service for the current fiscal year may be used for the operation and maintenance of aircraft, and the purchase of not to exceed four (for replacement only), uniforms, or allowances therefor, as authorized by the Act of September 1, 1954 [(68 Stat. 1114)], as amended (5 U. S. C. 2131); the purchase, erection, and alteration of buildings and other public improvements, but the cost of any building purchased, erected, or as improved, exclusive of the cost of constructing a water-supply or sanitary system and of connecting the same with any such building, and exclusive of the cost of any tower upon which a lookout house may be erected, shall not exceed \$18,500 (\$22,500 in Alaska) with the exception that any building erected, purchased, or acquired, the cost of which was \$18,500 or more, may be improved out of the appropriations available to the Forest Service within any fiscal year by an amount not to exceed 2 per centum of the cost of such building, and not to exceed \$250,000 of such appropriations may be used for the maintenance, improvement, and construction of aircraft landing fields in, or adjacent to, the national forests, as follows:

National forest protection and management: For the administration, protection, use, maintenance, improvement, and development of the national forests, including the establishment and maintenance of forest tree nurseries, including the procurement of tree seed and nursery stock by purchase, production, or otherwise, seedling and tree planting and the care of plantations and young growth; the maintenance of roads and trails and the construction and maintenance of all other improvements necessary for the proper and economical administration, protection, development, and use of the national forests, including experimental areas under Forest Service administration; the construction (not to exceed \$18,500 for any one structure), equipment, and maintenance of sanitary and recreational facilities; timber cultural operations; development and application of fish and game management plans; propagation and transplanting of plants suitable for planting on semiarid portions of the national forests; estimating and appraising of timber and other resources and development and application of plans for their effective management, sale, and use; expenses of the National Forest Reservation Commission as authorized by section 14 of the Act of March 1, 1911 (16 U. S. C. 514); examination, classification, surveying, and appraisal of land incident to effecting exchanges authorized by law and of lands within the boundaries of the national forests that may be opened to homestead settlement and entry under the Act of June 11, 1906, and the Act of August 10, 1912 (16 U. S. C. 506-509), as provided by the Act of March 4, 1913 (16 U. S. C. 512); investigation and establishment of water rights, including the purchase thereof or of lands or interests in lands or rights-of-way for use and protection of water rights necessary or beneficial in connection with the administration and public use of the national forests; not to exceed \$100,000 for the purchase of parcels of land and interests therein in Sanders County, Montana, but such land shall not be acquired without the approval of the local government concerned; and all expenses necessary for the use, maintenance, improvement, protection, and general administration of the national forests, and for the management of lands under title III of the Act of July 22, 1937, and the Act of August 11, 1945 (7 U. S. C. 1010-1012); [\$35,511,500] \$41,668,000: *Provided*, That the Secretary may sell at market value any property located in Yalobusha, Chickasaw, and Pontotoc Counties, Mississippi, administered under title III of

the Act of July 22, 1937, and suitable for return to private ownership under such terms and conditions as would not conflict with the purposes of said Act.

Fighting forest fires: For fighting and preventing forest fires on or threatening lands under Forest Service administration, including lands under contract for purchase or in process of condemnation for Forest Service purposes, and for liquidation of obligations incurred in the preceding fiscal year for such purpose, \$5,250,000, of which \$1,750,000 shall be apportioned for use, pursuant to section 3679 of the Revised Statutes, as amended, to the extent necessary to meet emergency conditions.

Control of forest pests: For the control of white pine blister rust pursuant to the Act of April 26, 1940 (16 U. S. C. 594a), including the development and testing of new control methods, [\$2,735,000] \$2,734,000, of which \$355,000 shall be available to the Department of the Interior for the control of white pine blister rust on or endangering Federal lands under the jurisdiction of that Department or lands of Indian tribes which are under the jurisdiction of or retained under restrictions of the United States; and for carrying out the Forest Pest Control Act (16 U. S. C. [Supp. V.] 594-1-594-5), [\$3,537,500] \$2,386,000, of which [\$3,137,500] \$1,751,000 shall be apportioned for use pursuant to section 3679 of the Revised Statutes, as amended, for the purposes of said Act to the extent necessary under the then existing conditions; [\$6,272,500] \$5,120,000.

Forest research: For forest research at forest or range experiment stations, the Forest Products Laboratory, or elsewhere, in accordance with the provisions of sections 1, 2, 3, 4, 7, 8, 9, and 10 of the Act approved May 22, 1928, as amended (16 U. S. C. 581, 581a-581c, 581f-581i), including the construction and maintenance of improvements; fire, silvicultural, watershed, forest insects and diseases, and other forest investigations and experiments; investigations and experiments to develop improved methods of management of forest and related ranges; experiments, investigations, and tests of forest products; marketing research and service on timber and timber products; a comprehensive forest survey; and investigations in forest economics; [\$7,754,000] \$8,900,000: *Provided*, That funds may be advanced to cooperators under such regulations as the Secretary may prescribe when such action will stimulate or facilitate cooperative work.

[For an additional amount for "Salaries and expenses", for national forest protection and management, \$300,000: *Provided*, That this appropriation shall be effective only upon enactment into law of H. R. 5891, Eighty-fourth Congress.] (5 U. S. C. 511-512, 524, 565a; 7 U. S. C. 1621-1627; 16 U. S. C. 471-583i; 31 U. S. C. 534; 36 Stat. 557; 69 Stat. 367; Department of the Interior and Related Agencies Appropriation Act, 1956; Supplemental Appropriation Act, 1956.)

Appropriated 1956, \$55,088,000 Estimated 1957,\* \$60,938,000

\* Excludes \$9,950 for activities transferred in the estimates to "Salaries and expenses, Office of the Secretary of Agriculture." The amounts obligated in 1955 and 1956 are shown in the schedule as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. National forest protection and management:			
(a) Resource protection and use.....	\$30,002,086	\$35,937,750	\$39,823,000
(b) Resource development.....	1,246,626	1,845,000	1,845,000
Total, national forest protection and management.....	31,248,712	37,782,750	41,668,000
2. Fighting forest fires.....	6,000,000	5,250,000	5,250,000
3. Control of forest pests:			
(a) White pine blister rust control.....	2,553,491	2,734,000	2,734,000
(b) Forest pest control.....	4,498,660	3,537,500	2,386,000
Total, control of forest pests.....	7,052,151	6,271,500	5,120,000
4. Forest research:			
(a) Forest and range management research.....	3,656,258	4,529,816	4,529,816
(b) Forest protection research.....	1,275,776	1,388,222	1,516,222
(c) Forest products research.....	1,255,961	1,303,301	1,621,301
(d) Forest resources research.....	976,719	1,015,961	1,232,661
Total, forest research.....	7,164,714	8,237,300	8,900,000
Total obligations.....	51,465,577	57,541,550	60,938,000
<b>Financing:</b>			
Comparative transfers to other accounts.....	192,439	9,950	-----
Unobligated balance no longer available.....	312,175	-----	-----
Appropriation (adjusted).....	51,970,191	55,088,000	60,938,000
Proposed supplemental due to pay increases.....	-----	2,463,500	-----



## PROGRAM AND PERFORMANCE

1. *National forest protection and management*—(a) *Resource protection and use*.—The national forests are protected from fire, and their resources are managed in such ways as to bring about full utilization and maximum sustained production.

## MAIN WORKLOAD FACTORS

Description	1955 actual	1956 estimate	1957 estimate
Area administered and protected (acres).....	181,071,658	181,000,000	181,000,000
Timber managed and protected (billion board feet).....	600	600	600
Timber sales (number).....	27,542	28,200	28,500
Timber harvested (billion board feet).....	6.3	7.25	7.75
Forest fires controlled (number).....	11,792	11,000	11,000
Area burned (acres).....	203,973	350,000	200,000
Grazing use permits (calendar year).....	25,783	25,500	25,500
Estimated number of livestock on national forest ranges (including calves and lambs).....	8,000,000	8,000,000	8,000,000
Special use permits (number).....	54,703	56,000	57,500
Estimated number of visitors to national forests (calendar year).....	40,304,000	45,000,000	50,000,000
Receipts (by fiscal years):			
Timber sales.....	\$75,043,577	\$101,800,000	\$108,500,000
Grazing.....	2,953,257	3,000,000	3,000,000
Land use and power.....	1,524,046	1,700,000	1,700,000
Land utilization projects.....	1,618,410	1,500,000	1,500,000
Total receipts.....	81,139,290	108,000,000	114,700,000

This item also provides for management of about 7 million acres in land utilization projects, including revegetation and other development work. These lands are used under lease or permit by local farmers and ranchers under specific use conditions.

(b) *Resource development*.—Main factors are shown in the following table:

## MAIN WORKLOAD FACTORS

[In acres]

Description	1955 actual	1956 estimate	1957 estimate
Planted to trees (annual).....	13,000	20,000	20,000
Planted to trees (cumulative).....	1,385,084	1,405,084	1,425,084
Still to be planted (total).....	4,000,000	4,000,000	4,000,000
Reseeded to range grasses (annual).....	41,077	60,000	60,000
Reseeded to range grasses (cumulative).....	591,715	651,715	711,715
Still to be reseeded (total).....	3,408,285	3,348,285	3,288,285

2. *Fighting forest fires*.—This provides for employment of additional manpower and other facilities to suppress forest fires which cannot be controlled by the fire-control organization provided for under national forest protection and management.

3. *Control of forest pests*—(a) *White pine blister rust control*.—Protection of white pine trees from blister rust is provided by removing ribes (alternate host plants) from areas where white pines grow. Some of this work is done in cooperation with State, private, and other Federal land-managing agencies. Ribes have been removed from approximately 17 million acres to date. This acreage is reworked to keep the ribes suppressed. Approximately 6.2 million additional acres require further eradication work. The following table indicates the estimated program for 1956 and 1957 as compared to work done in 1955:

[In acres]

Description	1955 actual	1956 estimate	1957 estimate
Initial eradication.....	184,792	175,000	175,000
Rework.....	668,376	750,000	750,000
Total.....	853,168	925,000	925,000

(b) *Forest pest control*.—Operations consist of surveys to detect and appraise the danger of insects and plant diseases which injure or destroy forest resources and suppressive measures before extensive damage is done and while areas requiring treatment are small.

4. *Forest research*—(a) *Forest and range management research*.—Research is conducted at regional forest experimental stations and elsewhere to provide private and

public land managers and owners with a sound basis for protection and management of timber, range, and watershed lands. Studies are conducted to maintain a sustained yield of products at the lowest possible costs; increase forage on rangelands for maximum production of livestock without damage to soil, watershed, or other values; assure maximum regular flow of usable water, and reduce flood and sedimentation.

(b) *Forest protection research*.—Research is conducted at the regional forest experiment stations and elsewhere to develop sound measures for the protection of forests from damage by fire, insects, and diseases. These investigations provide the technical basis for control and preventive measures, including predictions of fire danger.

(c) *Forest products research*.—The work of the Forest Products Laboratory is directed toward improvement of forest products, reduction and utilization of waste, utilization of low-quality wood and unpopular species and development of new wood products. Studies are undertaken to reduce costs of logging and wood utilization, develop basic knowledge, and disseminate findings to meet the needs of the forest owner, primary manufacturer, wood fabricator, and ultimate consumer.

(d) *Forest resources research*.—These investigations are conducted to inventory and appraise the condition of forest lands and their ownership, volume and quality of standing timber, annual growth and depletion, potential need for timber products, and other information on supply, production, marketing, and utilization.

## MAIN WORKLOAD FACTORS

[Acres in millions]

Description	1955 actual	1956 estimate	1957 estimate
Initial surveys (annual).....	15	15	22
Initial surveys (cumulative).....	481	496	518
To be surveyed (total).....	283	268	246
Resurveys (annual).....	25	25	35
Resurveys (cumulative).....	219	244	279

A supplemental appropriation for 1956 is proposed for later transmission and appears at the end of this chapter.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>FOREST SERVICE</b>			
Total number of permanent positions.....	6,443	6,718	7,182
Full-time equivalent of all other positions.....	3,217	3,284	3,082
Average number of all employees.....	8,788	9,106	9,251
Number of employees at end of year.....	11,976	12,500	13,000
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,707	\$5,069	\$5,042
Average grade.....	GS-6.6	GS-6.7	GS-6.7
Ungraded positions: Average salary.....	\$3,739	\$3,872	\$3,872
01 Personal services:			
Permanent positions.....	\$27,320,200	\$30,258,597	\$31,800,204
Positions other than permanent.....	7,504,687	8,881,249	9,101,334
Regular pay above 52-week base.....	103,370	134,283	-----
Payment above basic rates.....	1,275,458	1,104,595	1,106,208
Other payments for personal services.....	1,506,499	1,692,750	892,750
Total personal services.....	37,710,214	42,071,474	42,900,496
02 Travel.....	1,609,537	1,750,000	1,822,735
03 Transportation of things.....	542,602	500,000	550,000
04 Communication services.....	483,140	500,000	452,000
05 Rents and utility services.....	499,576	450,000	439,500
06 Printing and reproduction.....	210,813	265,000	266,000
07 Other contractual services.....	2,640,716	2,544,751	2,454,215
Services performed by other agencies.....	961,855	1,000,000	900,000
08 Supplies and materials.....	4,493,751	4,437,376	4,239,705
09 Equipment.....	2,001,084	2,500,000	2,495,500
10 Lands and structures.....	166,966	200,000	900,000
11 Grants, subsidies, and contributions.....	7,891	9,000	9,000
13 Refunds, awards, and indemnities.....	17,140	20,000	20,000
15 Taxes and assessments.....	212,560	225,000	224,900
Contingency funds.....	-----	1,190,000	3,501,000
Subtotal.....	51,557,845	57,662,601	61,175,051
Deduct ebarges for quarters and subsistence.....	561,077	592,051	592,051
Total, Forest Service.....	50,996,768	57,070,550	60,583,000



## CURRENT AUTHORIZATIONS—Continued

## FOREST SERVICE—Continued

## SALARIES AND EXPENSES—continued

## Salaries and Expenses, Forest Service—Continued

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>ALLOCATION TO DEPARTMENT OF THE INTERIOR</b>			
Total number of permanent positions.....	6	6	4
Full-time equivalent of all other positions.....	78	85	59
Average number of all employees.....	83	90	64
Number of employees at end of year.....	244	232	187
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,619	\$5,040	\$5,494
Average grade.....	GS-7.0	GS-7.3	GS-8.0
01 Personal services:			
Permanent positions.....	\$22,764	\$24,427	\$24,781
Positions other than permanent.....	286,263	302,304	215,343
Regular pay above 52-week base.....	106	116	-----
Payment above basic rates.....	25,157	23,260	23,260
Total personal services.....	334,290	350,107	263,384
02 Travel.....	4,017	5,355	2,600
03 Transportation of things.....	1,485	1,460	575
04 Communication services.....	796	920	820
05 Rents and utility services.....	13,493	13,593	11,533
07 Other contractual services.....	52,983	53,097	53,360
08 Supplies and materials.....	59,277	55,401	32,648
09 Equipment.....	20,897	5,756	6,061
13 Refunds, awards, and indemnities.....	50	50	50
15 Taxes and assessments.....	5,314	5,261	3,969
Subtotal.....	492,602	491,000	375,000
Deduct charges for quarters and subsistence.....	23,793	20,000	20,000
Total, Department of the Interior.....	468,809	471,000	355,000
Total obligations.....	51,465,577	57,541,550	60,938,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

NOTE.—The following schedule includes balances and expenditures for "Control of forest pests, Agriculture."

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$51,291,200	\$55,088,000	\$60,938,000
Transferred from—			
"Agricultural adjustment programs, Commodity Stabilization Service" (69 Stat. 240).....	108,991	-----	-----
"Salaries and expenses, Federal Extension Service" (69 Stat. 240).....	170,000	-----	-----
"Forest roads and trails, Forest Service" (58 Stat. 741).....	400,000	-----	-----
Adjusted appropriation.....	51,970,191	55,088,000	60,938,000
Proposed supplemental due to pay increases.....	-----	2,463,500	-----
Obligated balance brought forward.....	5,717,286	7,670,341	7,821,841
Increase in prior year obligations.....	44,500	-----	-----
Total budget authorizations available.....	57,731,977	65,221,841	68,759,841
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	44,055,677	47,460,000	52,500,000
Out of anticipated supplemental appropriation.....	-----	2,340,000	123,500
Out of prior authorizations.....	5,685,078	7,600,000	7,676,500
Total expenditures.....	49,740,755	57,400,000	60,300,000
Balance no longer available:			
Unobligated (expiring for obligation).....	312,175	-----	-----
Other.....	8,706	-----	-----
Obligated balance carried forward.....	7,670,341	7,821,841	8,459,841
Total expenditures and balances.....	57,731,977	65,221,841	68,759,841

## FOREST ROADS AND TRAILS

## Forest Roads and Trails, Forest Service

For expenses necessary for carrying out the provisions of section 23 of the Federal Highway Act approved November 9, 1921, as amended (23 U. S. C. 23, 23a), relating to forest development roads

and trails, including the construction, reconstruction, and maintenance of roads and trails on experimental areas under Forest Service administration, \$24,000,000, which sum is authorized to be appropriated by the Act of May 6, 1954 [Public Law 350] 23 U. S. C. 23), to remain available until expended. (Department of the Interior and Related Agencies Appropriation Act, 1956.)

Appropriated 1956, \$24,000,000

Estimate 1957, <sup>a</sup> \$24,000,000

<sup>a</sup> Excludes \$2,165 for activities transferred in the estimates to "Salaries and expenses, Office of the Secretary of Agriculture." The amounts obligated in 1955 and 1956 are shown in the schedule as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Construction of roads and trails.....	\$15,715,451	\$17,189,583	\$17,100,000
2. Maintenance of roads and trails.....	6,596,347	6,900,000	6,900,000
Total obligations.....	22,311,798	24,089,583	24,000,000
<b>Financing:</b>			
Comparative transfers to other accounts.....	2,165	2,165	-----
Unobligated balance brought forward.....	—306,012	—91,748	-----
Unobligated balance carried forward.....	91,748	-----	-----
Unobligated balance no longer available.....	301	-----	-----
Appropriation (adjusted).....	22,100,000	24,000,000	24,000,000

## PROGRAM AND PERFORMANCE

Roads and trails are essential to the protection and management of the national forests and the utilization of their resources. The existing system consists of 120,914 miles of earth- or gravel-surfaced roads and 118,755 miles of supplemental trails.

Funds for 1957 will permit continued emphasis on the construction of timber access roads urgently needed to accelerate harvesting of national forest timber.

The Federal-Aid Highway Act of 1954 (23 U. S. C. 23) made available contract authorizations totaling \$70.5 million. Contract authorization equivalent to funds appropriated for roads and trails are administratively canceled annually. The program for 1957 cancels the balance of the authorization.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>FOREST SERVICE</b>			
Total number of permanent positions.....	810	890	89
Full-time equivalent of all other positions.....	720	843	848
Average number of all employees.....	1,581	1,796	1,801
Number of employees at end of year.....	2,878	2,952	2,952
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,707	\$5,069	\$5,042
Average grade.....	GS-6.6	GS-6.7	GS-6.7
Ungraded positions: Average salary.....	\$3,739	\$3,872	\$3,872
01 Personal services:			
Permanent positions.....	\$3,934,914	\$4,545,773	\$4,545,773
Positions other than permanent.....	2,152,638	2,635,359	2,652,843
Regular pay above 52-week base.....	14,764	17,484	-----
Payment above basic rates.....	56,953	60,918	60,918
Other payments for personal services.....	22,930	25,200	25,200
Total personal services.....	6,182,199	7,284,734	7,284,734
02 Travel.....	201,684	248,188	248,188
03 Transportation of things.....	92,194	114,090	114,090
04 Communication services.....	85,780	88,996	88,996
05 Rents and utility services.....	98,473	120,417	120,417
06 Printing and reproduction.....	22,222	23,329	23,329
07 Other contractual services.....	817,866	953,275	953,275
Services performed by other agencies.....	1,495,992	3,186,817	3,186,817
08 Supplies and materials.....	1,607,575	2,223,656	2,223,656
09 Equipment.....	157,340	167,802	167,802
10 Lands and structures.....	3,922,953	2,139,971	2,050,388
11 Grants, subsidies, and contributions.....	19	-----	-----
13 Refunds, awards, and indemnities.....	11,820	6,000	6,000
15 Taxes and assessments.....	63,991	65,399	65,399
Subtotal.....	14,760,108	16,622,674	16,533,091
Deduct charges for quarters and subsistence.....	27,407	33,091	33,091
Total, Forest Service.....	14,732,701	16,589,583	16,500,000



## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>ALLOCATION TO BUREAU OF PUBLIC ROADS, DEPARTMENT OF COMMERCE</b>			
Total number of permanent positions.....	110	100	100
Full-time equivalent of all other positions.....	63	59	59
Average number of all employees.....	154	142	142
Number of employees at end of year.....	109	100	100
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$5, 166	\$5, 584	\$5, 695
Average grade.....	GS-7.6	GS-7.6	GS-7.6
Ungraded positions: Average salary.....	\$4, 295	\$4, 488	\$4, 484
<b>01 Personal services:</b>			
Permanent positions.....	\$393, 173	\$388, 000	\$389, 500
Positions other than permanent.....	185, 149	185, 000	185, 000
Regular pay above 52-week base.....	1, 480	1, 500	1, 500
Payment above basic rates.....	25, 745	25, 500	25, 500
Total personal services.....	605, 547	600, 000	600, 000
02 Travel.....	113, 907	100, 000	100, 000
03 Transportation of things.....	1, 159	1, 000	1, 000
04 Communication services.....	567	500	500
05 Rents and utility services.....	3, 555	3, 000	3, 000
06 Printing and reproduction.....	2, 386	2, 000	2, 000
07 Other contractual services.....	421, 105	400, 000	400, 000
08 Supplies and materials.....	112, 357	100, 000	100, 000
09 Equipment.....	228	—	—
10 Lands and structures.....	6, 318, 925	6, 293, 500	6, 293, 500
Subtotal.....	7, 579, 736	7, 500, 000	7, 500, 000
Deduct charges for quarters and subsistence.....	639	—	—
Total, Bureau of Public Roads.....	7, 579, 097	7, 500, 000	7, 500, 000
Total obligations.....	22, 311, 798	24, 089, 583	24, 000, 000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$22, 500, 000	\$24, 000, 000	\$24, 000, 000
Transferred to "Salaries and expenses, Forest Service" (5 U. S. C. 572).....	—400, 000	—	—
Adjusted appropriation.....	22, 100, 000	24, 000, 000	24, 000, 000
Balance brought forward:			
Unobligated.....	306, 012	91, 748	—
Obligated.....	6, 573, 873	10, 738, 819	11, 130, 567
Total budget authorizations available.....	28, 979, 885	34, 830, 567	35, 130, 567
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	18, 149, 017	15, 000, 000	15, 000, 000
Out of prior authorizations.....	—	8, 700, 000	8, 900, 000
Total expenditures.....	18, 149, 017	23, 700, 000	23, 900, 000
Unobligated balance no longer available (expiring for obligation).....	301	—	—
Balance carried forward:			
Unobligated.....	91, 748	—	—
Obligated.....	10, 738, 819	11, 130, 567	11, 230, 567
Total expenditures and balances.....	28, 979, 885	34, 830, 567	35, 130, 567

Forest Roads and Trails (Liquidation of Contract Authorization),  
Forest Service

## STATUS OF UNFINANCED CONTRACT AUTHORIZATION

	1955 actual	1956 estimate	1957 estimate
Unfinanced balance at beginning of year..	\$70, 500, 000	\$48, 000, 000	\$24, 000, 000
Administrative cancellation equivalent to funds appropriated under "Forest roads and trails, Forest Service".....	—22, 500, 000	—24, 000, 000	—24, 000, 000
Unfinanced balance at end of year.....	—48, 000, 000	—24, 000, 000	—
Appropriation to liquidate contract authorization.....	—	—	—

## PROGRAM AND PERFORMANCE

This program is described under "Forest roads and trails."

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Unobligated balance brought forward (contract authorization).....	\$70, 500, 000	\$48, 000, 000	\$24, 000, 000
<b>EXPENDITURES AND BALANCES</b>			
Unobligated balance no longer available (expiring for obligation).....	22, 500, 000	24, 000, 000	24, 000, 000
Unobligated balance carried forward (contract authorization).....	48, 000, 000	24, 000, 000	—
Total expenditures and balances.....	70, 500, 000	48, 000, 000	24, 000, 000

## STATE AND PRIVATE FORESTRY COOPERATION

## State and Private Forestry Cooperation, Forest Service

For expenses necessary for cooperation with the various States in forest-fire prevention and suppression, in forest tree planting on non-Federal public and private lands, and in forest management and processing, pursuant to the Act of August 25, 1950 (16 U. S. C. 568c, 568d), and sections 1, 2, 3, and 4 of the Act of June 7, 1924 (16 U. S. C. 564-567e), and Acts supplementary thereto; advising timberland owners, associations, and other appropriate agencies in the application of forest management principles to federally owned lands leased to States and to private forest lands, and advising wood-using industries in processing of forest products, so as to attain sustained-yield management, the conservation of the timber resources, the productivity of forest lands, and the stabilization of employment and economic continuance of forest industries; **[\$11,337,129] \$11,385,000.** (5 U. S. C. 511; 16 U. S. C. 581; Department of the Interior and Related Agencies Appropriation Act, 1956.)

Appropriated 1956, **\$11,337,129**Estimate 1957, **\$11,385,000**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Cooperation in forest-fire control.....	\$9, 448, 614	\$10, 025, 029	\$10, 025, 000
2. Cooperation in forest tree planting.....	444, 314	505, 000	505, 000
3. Cooperation in forest management and processing.....	635, 003	690, 000	690, 000
4. General forestry assistance.....	148, 475	165, 000	165, 000
Total obligations.....	10, 676, 406	11, 385, 029	11, 385, 000
<b>Financing:</b>			
Unobligated balance no longer available.....	20, 270	—	—
Appropriation (adjusted).....	10, 696, 676	11, 337, 129	11, 385, 000
Proposed supplemental due to pay increases.....	—	47, 900	—

## PROGRAM AND PERFORMANCE

This program, carried on in cooperation with the States, encourages private timber growing through assistance in preventing and suppressing forest fires, reforestation of denuded and poorly stocked areas, and good management of woodlands. Privately owned forest lands comprise three-fourths of the Nation's commercial forest area and produce 90 percent of all timber cut. The fire-control program applies to all forest lands within the boundaries of organized protection units. The balance of the program is concentrated on small forest properties in private ownership because they are in greater need of management.

1. *Cooperation in forest fire control.*—Assistance is furnished 44 States and Hawaii in preventing and suppressing forest fires on private and State owned lands by financial aid, training, procurement of equipment, and a nationwide fire-prevention campaign. About 89 percent of the 431 million acres of non-Federal ownership are now partially covered. During 1954 the acreage burned on protected areas was 0.7 percent as against an estimated 12 percent on unprotected lands. Of the total expendi-

## CURRENT AUTHORIZATIONS—Continued

## FOREST SERVICE—Continued

## STATE AND PRIVATE FORESTRY COOPERATION—continued

## State and Private Forestry Cooperation, Forest Service—Con.

tures under this program, 72 percent is contributed by States and counties, 5 percent by private owners, and 23 percent by the Federal Government.

2. *Cooperation in forest tree planting.*—To encourage woodland owners to plant trees on the more than 60 million acres of inadequately stocked State and private forest land, the States provide trees at less than cost. The Federal Government shares about 25 percent of the cost with the States.

3. *Cooperation in forest management and processing.*—In cooperation with State foresters, 274 projects in 1,300 counties are operated to aid small-woodland owners in applying good management to their timber holdings. In 1954 these projects covered some 32,224 owners and about 2.6 million acres.

4. *General forestry assistance.*—Assistance and advice is given by field technicians in response to inquiries in technical forestry fields.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	104	103	103
Full-time equivalent of all other positions.....	3	8	9
Average number of all employees.....	111	114	115
Number of employees at end of year.....	118	114	115
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,707	\$5,069	\$5,042
Average grade.....	GS-6.6	GS-6.7	GS-6.7
Ungraded positions: Average salary.....	\$3,739	\$3,872	\$3,872
01 Personal services:			
Permanent positions.....	\$633,139	\$654,205	\$654,205
Positions other than permanent.....	7,084	19,474	21,891
Regular pay above 52-week base.....	2,357	2,417	-----
Payment above basic rates.....	1,769	2,974	2,974
Total personal services.....	644,349	679,070	679,070
02 Travel.....	58,906	68,804	68,804
03 Transportation of things.....	12,260	12,025	12,025
04 Communication services.....	8,157	8,008	8,008
05 Rents and utility services.....	960	389	389
06 Printing and reproduction.....	72,405	77,200	77,200
07 Other contractual services.....	12,612	4,807	4,807
Services performed by other agencies.....	22,386	14,473	14,473
08 Supplies and materials.....	47,637	20,991	20,991
09 Equipment.....	5,942	1,603	1,603
11 Grants, subsidies, and contributions.....	9,790,270	10,497,121	10,497,092
15 Taxes and assessments.....	673	574	574
Subtotal.....	10,676,557	11,385,065	11,385,036
Deduct charges for quarters and subsistence.....	151	36	36
Total obligations.....	10,676,406	11,385,029	11,385,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$10,683,690	\$11,337,129	\$11,385,000
Transferred from "Agricultural adjustment programs, Commodity Stabilization Service" (69 Stat. 240).....	12,986	-----	-----
Adjusted appropriation.....	10,696,676	11,337,129	11,385,000
Proposed supplemental due to pay increases.....	-----	47,900	-----
Obligated balancee brought forward.....	620,967	896,643	931,672
Total budget authorizations available.....	11,317,643	12,281,672	12,316,672
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	9,786,900	10,429,600	10,475,000
Out of anticipated supplemental appropriation.....	-----	45,400	2,500

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
EXPENDITURES AND BALANCES—con.			
Expenditures—Continued			
Out of prior authorizations.....	\$606,899	\$875,000	\$872,500
Total expenditures.....	10,393,799	11,350,000	11,350,000
Balance no longer available:			
Unobligated (expiring for obligation).....	20,270	-----	-----
Other.....	6,931	-----	-----
Obligated balancee carried forward.....	896,643	931,672	966,672
Total expenditures and balancees.....	11,317,643	12,281,672	12,316,672

## COOPERATIVE RANGE IMPROVEMENTS

## Cooperative Range Improvements, Forest Service

For artificial revegetation, construction, and maintenance of range improvements, control of rodents, and eradication of poisonous and noxious plants on national forests as authorized by section 12 of the Act of April 24, 1950 (16 U. S. C. 580h), \$700,000, to remain available until expended. (Department of the Interior and Related Agencies Appropriation Act, 1956.)

Appropriated 1956, \$700,000

Estimate 1957, \$700,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
Construction and maintenance of range improvements (total obligations).....	\$408,049	\$728,855	\$700,000
Financing:			
Unobligated balancee brought forward.....	—36,959	—28,855	-----
Unobligated balancee carried forward.....	28,855	-----	-----
Unobligated balancee no longer available.....	55	-----	-----
Appropriation.....	400,000	700,000	700,000

## PROGRAM AND PERFORMANCE

On the basis of a statutory formula and to the extent appropriated, part of the grazing fees from the national forests are used to protect or improve the productivity of the range, mainly by construction and maintenance of fences, stock-watering facilities, bridges, corrals, and driveways.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	14	21	21
Full-time equivalent of all other positions.....	43	71	71
Average number of all employees.....	64	102	102
Number of employees at end of year.....	119	139	139
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,707	\$5,069	\$5,042
Average grade.....	GS-6.6	GS-6.7	GS-6.7
Ungraded positions: Average salary.....	\$3,739	\$3,872	\$3,872
01 Personal services:			
Permanent positions.....	\$85,620	\$144,813	\$144,800
Positions other than permanent.....	133,385	227,851	228,000
Regular pay above 52-week base.....	212	286	-----
Payment above basic rates.....	201	150	200
Total personal services.....	219,418	373,100	373,000
02 Travel.....	5,788	9,350	9,300
03 Transportation of things.....	8,878	17,200	16,000
04 Communication services.....	2,138	4,574	4,000
05 Rents and utility services.....	4,221	7,300	7,000
06 Printing and reproduction.....	106	100	100
07 Other contractual services.....	27,359	51,000	49,000
Services performed by other agencies.....	36,357	69,390	50,600
08 Supplies and materials.....	77,648	152,250	147,600
09 Equipment.....	2,521	4,900	4,000
10 Lands and structures.....	21,586	35,190	35,000
15 Taxes and assessments.....	2,982	5,090	5,000
Subtotal.....	409,002	729,444	700,600
Deduct charges for quarters and subsistence.....	953	589	600
Total obligations.....	408,049	728,855	700,000



## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$400,000	\$700,000	\$700,000
Balance brought forward:			
Unobligated.....	36,959	28,855	-----
Obligated.....	126,370	74,498	133,353
Total budget authorizations available.....	563,329	803,353	833,353
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	459,921	600,000	600,000
Out of prior authorizations.....		70,000	95,000
Total expenditures.....	459,921	670,000	695,000
Unobligated balance no longer available (expiring for obligation).....	55	-----	-----
Balance carried forward:			
Unobligated.....	28,855	-----	-----
Obligated.....	74,498	133,353	138,353
Total expenditures and balances.....	563,329	803,353	833,353

## [ACQUISITION OF LANDS FOR NATIONAL FORESTS]

## [Weeks Act]

## Acquisition of Lands for National Forests, Weeks Act, Forest Service

[For the acquisition of forest lands under the provisions of the Act approved March 1, 1911, as amended (16 U. S. C. 513-519, 521), \$190,000, to be available only for payment of the purchase price of any lands acquired, including the cost of surveys in connection with such acquisition: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned.] (*Department of the Interior and Related Agencies Appropriation Act, 1956.*)

Appropriated 1956, **\$190,000**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Acquisition of lands (total obligations).....	\$123,126	\$190,000	-----
<b>Financing:</b>			
Unobligated balance no longer available.....	1,874	-----	-----
<b>Appropriation.....</b>	<b>125,000</b>	<b>190,000</b>	<b>-----</b>

## PROGRAM AND PERFORMANCE

The funds are used to acquire lands to protect the watersheds of navigable streams and to increase the production of timber. The National Forest Reservation Commission has approved the establishment of 78 national forest purchase units in 33 States, mainly in the eastern half of the United States. The present value of forest lands thus purchased to date is conservatively estimated at \$200 million which is more than twice their cost.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Average number of all employees.....	1	1	-----
Number of employees at end of year.....	0	0	-----
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,707	\$5,069	-----
Average grade.....	GS-6.6	GS-6.7	-----
01 Personal services:			
Permanent positions.....	\$5,057	\$4,000	-----
Positions other than permanent.....	1,863	2,000	-----
Regular pay above 52-week base.....	20	-----	-----
Total personal services.....	6,940	6,000	-----
02 Travel.....	641	600	-----
04 Communication services.....	16	-----	-----
07 Other contractual services.....	14	-----	-----
Services performed by other agencies.....	280	-----	-----

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
10 Lands and structures.....	\$115,201	\$183,400	-----
15 Taxes and assessments.....	34	-----	-----
Total obligations.....	123,126	190,000	-----

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$125,000	\$190,000	-----
Obligated balance brought forward.....	114,025	129,810	\$194,810
Total budget authorizations available.....	239,025	319,810	194,810
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	23,523	38,000	-----
Out of prior authorizations.....	71,516	87,000	125,000
Total expenditures.....	95,039	125,000	125,000
Balance no longer available:			
Unobligated (expiring for obligation).....	1,874	-----	-----
Other.....	12,302	-----	-----
Obligated balance carried forward.....	129,810	194,810	69,810
Total expenditures and balances.....	239,025	319,810	194,810

## [Special Acts]

## Acquisition of Lands for National Forests, Special Acts, Forest Service

[For the acquisition of land to facilitate the control of soil erosion and flood damage originating within the exterior boundaries of the following national forest, in accordance with the provisions of the following Act authorizing annual appropriations of forest receipts for such purposes, and in not to exceed the following amount from such receipts: Cache National Forest, Utah, Act of May 11, 1938, (Public Law 505), as amended, \$10,000: *Provided*, That no part of this appropriation shall be used for acquisition of any land which is not within the boundaries of a national forest: *Provided further*, That no part of this appropriation shall be used for the acquisition of any land without the approval of the local government concerned.] (*Department of the Interior and Related Agencies Appropriation Act, 1956.*)

Appropriated 1956, **\$10,000**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Cache National Forest, Utah (total obligations).....	\$9,794	\$10,000	-----
<b>Financing:</b>			
Unobligated balance no longer available.....	206	-----	-----
<b>Appropriation.....</b>	<b>10,000</b>	<b>10,000</b>	<b>-----</b>

## PROGRAM AND PERFORMANCE

For fiscal years 1955 and 1956 on the basis of agreements with certain counties in Utah, national forest receipts, including the portions which would normally be paid to county road and school funds, were used for purchase by the Government of privately owned lands within the national forests to aid in the control of soil erosion and flood damage.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,707	\$5,069	-----
Average grade.....	GS-6.6	GS-6.7	-----
01 Personal services:			
Permanent positions.....	\$411	\$493	-----
Regular pay above 52-week base.....	20	20	-----
Total personal services.....	431	513	-----
02 Travel.....	-----	75	-----
07 Other contractual services.....	1	2	-----

## CURRENT AUTHORIZATIONS—Continued

## FOREST SERVICE—Continued

## [Special Acts]—Continued

## Acquisition of Lands for National Forests, Special Acts, Forest Service—Continued

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
08 Supplies and materials.....	\$1	\$10	
10 Lands and structures.....	9,361	9,400	
Total obligations.....	9,794	10,000	

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$10,000	\$10,000	
Obligated balance brought forward.....	4,747	9,392	\$11,892
Total budget authorizations available.....	14,747	19,392	11,892
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	402	2,000	
Out of prior authorizations.....	4,747	5,500	7,500
Total expenditures.....	5,149	7,500	7,500
Unobligated balance no longer available (expiring for obligation).....	206		
Obligated balance carried forward.....	9,392	11,892	4,392
Total expenditures and balances.....	14,747	19,392	11,892

## [GENERAL PROVISIONS, FOREST SERVICE]

SEC. 201. Within the unit limit of cost fixed by law, the lump-sum appropriations and authorizations made for the Forest Service under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 165 passenger motor vehicles for replacement only, and for the hire of such vehicles, necessary in the conduct of the work of the Forest Service outside the District of Columbia.]

SEC. 202. Provisions of law prohibiting or restricting the employment of aliens shall not apply to (1) the temporary employment of translators when competent citizen translators are not available; (2) employment in cases of emergency of persons in the field service for periods of not more than sixty days.]

SEC. 203. Of appropriations herein made which are available for the purchase of lands, not to exceed \$1 may be expended for each option to purchase any particular tract or tracts of land.]

SEC. 204. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated to the Forest Service shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.]

SEC. 205. No part of any appropriation to the Forest Service in this Act shall be used for publicity or propaganda purposes to support or defeat legislation pending before the Congress.] (*Department of the Interior and Related Agencies Appropriation Act, 1956.*)

## Miscellaneous

## Miscellaneous Accounts, Forest Service

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
1. Acquisition of lands for national forests, Superior National Forest.....	\$26,776	\$251,432	
2. Land utilization projects.....	30,149		
3. Smoke jumper facilities.....	20,926	2,723	
Total obligations.....	77,851	254,155	
Financing:			
Unobligated balance brought forward.....	—387,113	—309,262	
Unobligated balance carried forward.....	309,262		
Unobligated balance no longer available.....		55,107	
Appropriation.....			

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
FOREST SERVICE			
Average number of all employees.....	1		
Number of employees at end of year.....	0		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,707		
Average grade.....	GS-6.6		
01 Personal services:			
Permanent positions.....	\$1,149		
Positions other than permanent.....	296		
Total personal services.....	1,445		
02 Travel.....	328		
06 Printing and reproduction.....	5		
07 Other contractual services.....	147		
Services performed by other agencies.....	72		
08 Supplies and materials.....	4,812		
10 Lands and structures.....	40,888	\$254,155	
15 Taxes and assessments.....	5		
Total, Forest Service.....	47,702	254,155	
ALLOCATION TO DEPARTMENT OF THE ARMY			
07 Other contractual services: Services performed by other agencies.....	30,149		
Total obligations.....	77,851	254,155	

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Balance brought forward:			
Unobligated.....	\$387,113	\$309,262	
Obligated.....	69,786	18,509	\$168,164
Total budget authorizations available.....	456,899	327,771	168,164
EXPENDITURES AND BALANCES			
Expenditures (out of prior authorizations):			
"Acquisition of lands for national forests, Superior National Forest, Forest Service".....	56,461	100,000	100,000
"Land utilization projects, Forest Service".....	30,124		
"Smoke jumper facilities, Forest Service".....	42,543	4,500	270
Total expenditures.....	129,128	104,500	100,270
Unobligated balance no longer available (expiring for obligation).....		55,107	
Balance carried forward:			
Unobligated.....	309,262		
Obligated.....	18,509	168,164	67,894
Total expenditures and balances.....	456,899	327,771	168,164

## Allocations or Allotments Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allocations or allotments from other appropriations are shown in the schedules of the parent appropriations, as follows:

"Watershed protection, Soil Conservation Service."  
 "Flood prevention, Soil Conservation Service."  
 "Agricultural conservation program, Agriculture."  
 "Forest highways, Bureau of Public Roads."  
 "Construction, general, Corps of Engineers, civil."  
 "Procurement and production, Army."  
 "Research and development, Army."  
 "Acquisition and construction of real property, Air Force."  
 "Maintenance and operations, Air Force."  
 "Research and development, Air Force."  
 "Aircraft and related procurement, Air Force."  
 "Aircraft and facilities, Navy."  
 "Research and development, Navy."  
 "Servicewide operations, Navy."  
 "Servicewide supply and finance, Navy."  
 "Delegations, Federal Civil Defense Administration."  
 "Plant and equipment, Atomic Energy Commission."  
 "Construction and rehabilitation, Bureau of Reclamation."  
 "Management and protection, National Park Service."  
 "Army industrial fund."  
 "Mutual security, funds appropriated to the President."



## SOIL CONSERVATION SERVICE

## CONSERVATION OPERATIONS

## Conservation Operations, Soil Conservation Service

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U. S. C. 590a-590f), including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures as may be necessary to prevent floods and the siltation of reservoirs); operation of conservation nurseries; classification and mapping of soils; dissemination of information; purchase and erection or alteration of permanent buildings; operation and maintenance of aircraft; and furnishing of subsistence to employees; **[\$59,300,000] \$65,215,000: Provided,** That the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed \$2,500, except for eight buildings to be constructed or improved at a cost not to exceed \$15,000 per building and except that alterations or improvements to other existing permanent buildings costing \$2,500 or more may be made in any fiscal year in an amount not to exceed \$500 per building: *Provided further,* That no part of this appropriation shall be available for the construction of any such building on land not owned by the Government: *Provided further,* That in the State of Missouri, where the State has established a central State agency authorized to enter into agreements with the United States or any of its agencies on policies and general programs for the saving of its soil by the extension of Federal aid to any soil conservation district in such State, the agreements made by or on behalf of the United States with any such soil conservation district shall have the prior approval of such central State agency before they shall become effective as to such district: *Provided further,* That no part of this appropriation may be expended for soil and water conservation operations under the Act of April 27, 1935 (16 U. S. C. 590a-590f), in demonstration projects: *Provided further,* That not to exceed \$5,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further,* That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the service. (5 U. S. C. 511-512, 565a; 7 U. S. C. 1387; 16 U. S. C. 590q-1; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, **\$59,300,000** Estimate 1957, **\$65,215,000**

\* Excludes \$7,255 for activities transferred in the estimates to "Salaries and expenses, Office of the Secretary of Agriculture." The amounts obligated in 1955 and 1956 are shown in the schedule as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Assistance to soil conservation districts and other cooperators.....	\$58,204,132	\$63,042,745	\$65,215,000
2. Emergency channel restoration in flood-stricken areas.....	22,740		
Total obligations.....	58,226,872	63,042,745	65,215,000
<b>Financing:</b>			
Comparative transfers to other accounts.....	1,404,369	7,255	
Unobligated balance brought forward.....	-1,220,993		
Unobligated balance no longer available.....	1,325,423		
Appropriation (adjusted).....	59,735,671	59,300,000	65,215,000
Proposed supplemental due to pay increases.....		3,750,000	

## PROGRAM AND PERFORMANCE

The Service, in cooperation with State and other agencies, aids in bringing about physical adjustments in land use to conserve soil, water, and plant resources, establish a permanent and balanced agriculture, and reduce the hazards of floods and sedimentation.

Proposed increases are to provide technical assistance to new soil conservation districts and additions to existing districts in planning and establishing soil and water conservation practices; furnish accelerated assistance to

low-income farmers in selected areas; speed up soil surveys and technical assistance in establishing conservation practices in areas where serious erosion and land-use problems exist, particularly in the southern Great Plains; and accelerate map compilation and the preparation and publication of soil maps and survey reports.

Assistance furnished soil conservation districts and other cooperators in developing and carrying out locally adapted programs in the States, Territories, and possessions consists in the main of the following: (a) surveys to provide physical land facts needed for farm and ranch conservation planning, and by other Federal, State, and local agencies and the public;

## MAIN WORKLOAD FACTORS

[In millions of acres]

Type of survey	Total as of June 30, 1955	1955 actual	1956 estimate	1957 estimate
Soil surveys.....	476.5	31.4	31.5	40.0
Range surveys.....	43.6	10.2	12.0	15.0

(b) Technical assistance in developing and applying conservation farm and ranch plans which allow for the best possible use of the farmer's land, labor, equipment, and financial resources;

## MAIN WORKLOAD FACTORS

	1955 actual	1956 estimate	1957 estimate
Number of soil conservation district co-operators.....	1,552,336	1,640,000	1,740,000
Soil conservation district cooperators having basic farm and ranch plans.....	1,034,530	1,084,000	1,150,000
Number of basic plans fully applied.....	164,673	180,000	200,000

(c) Loan of special equipment not otherwise readily available to the farmers; (d) technical assistance in planning erosion control and water management group enterprises; (e) streamflow forecasts as a basis for efficient seasonal utilization of water in Western States; (f) observational field testing of promising conservation plant materials; and (g) technical assistance to agricultural conservation program participants in establishing permanent-type conservation practices.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	12,320	12,582	13,073
Full-time equivalent of all other positions.....	639	584	517
Average number of all employees.....	10,555	10,906	11,047
Number of employees at end of year.....	13,061	13,006	13,174
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,493	\$4,830	\$4,847
Average grade.....	GS-6.5	GS-6.4	GS-6.5
<b>01 Personal services:</b>			
Permanent positions.....	\$46,359,560	\$50,607,900	\$52,071,700
Positions other than permanent.....	1,805,815	1,859,000	1,655,100
Regular pay above 52-week base.....	193,300	218,500	
Payment above basic rates.....	175,523	182,550	192,200
Other payments for personal services.....	7,403	11,050	11,000
Total personal services.....	48,541,601	52,879,000	53,930,000
02 Travel.....	1,789,373	1,910,400	2,075,000
03 Transportation of things.....	354,711	391,600	434,000
04 Communication services.....	705,265	727,100	781,000
05 Rents and utility services.....	1,250,285	1,356,200	1,404,000
06 Printing and reproduction.....	286,402	416,300	490,000
07 Other contractual services.....	537,862	577,245	683,000
Services performed by other agencies.....	17,672	21,400	23,000
08 Supplies and materials.....	2,880,256	2,950,800	3,117,000
09 Equipment.....	1,775,682	1,750,000	2,210,000
10 Lands and structures.....	4,700	1,000	1,000
13 Refunds, awards, and indemnities.....	9,191		
Awards for employee suggestions.....	2,885	13,900	16,000
15 Taxes and assessments.....	76,018	52,800	56,000
Subtotal.....	58,231,903	63,047,745	65,220,000
Deduct charges for quarters and subsistence.....	5,031	5,000	5,000
Total obligations.....	58,226,872	63,042,745	65,215,000



## CURRENT AUTHORIZATIONS—Continued

## SOIL CONSERVATION SERVICE—Continued

## CONSERVATION OPERATIONS—continued

## Conservation Operations, Soil Conservation Service—Continued

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>RUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$59,085,671	\$59,300,000	\$65,215,000
Transferred from "Agricultural adjustment programs, Commodity Stabilization Service" (69 Stat. 240).....	650,000	-----	-----
Adjusted appropriation.....	59,735,671	59,300,000	65,215,000
Proposed supplemental due to pay increases.....	-----	3,750,000	-----
Balance brought forward:			
Unobligated.....	1,220,993	-----	-----
Obligated.....	6,165,774	5,390,578	6,415,578
Total budget authorizations available.....	67,122,438	68,440,578	71,630,578
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	54,383,252	53,188,000	59,000,000
Out of anticipated supplemental appropriation.....	-----	3,700,000	50,000
Out of prior authorizations.....	5,880,011	5,137,000	4,763,000
Total expenditures.....	60,263,263	62,025,000	63,813,000
Balance no longer available:			
Unobligated (expiring for obligation).....	1,325,423	-----	-----
Other.....	143,174	-----	-----
Obligated balance carried forward.....	5,390,578	6,415,578	7,817,578
Total expenditures and balances.....	67,122,438	68,440,578	71,630,578

## WATERSHED PROTECTION

## Watershed Protection, Soil Conservation Service

For expenses necessary to conduct surveys, investigations, and research and to carry out preventive measures, including, but not limited to, engineering operations, methods of cultivation, the growing of vegetation, and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act, approved August 4, 1954 ([Public Law 566] 16 U. S. C. 1001-1007), and the provisions of the Act of April 27, 1935 (16 U. S. C. 590a-590f), to remain available until expended, [\$12,000,000] \$16,000,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for watershed protection purposes. (5 U. S. C. 511-512; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, \$12,000,000      Estimate 1957,<sup>a</sup> \$16,000,000

<sup>a</sup> Excludes \$5,935 for activities transferred in the estimates to "Salaries and expenses, Office of the Secretary of Agriculture." The amounts obligated in 1955 and 1956 are shown in the schedule as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Watershed planning and works of improvement.....	\$6,208,797	\$13,423,136	\$15,500,000
2. Surveys and investigations of water resources programs.....	-----	250,000	500,000
Total obligations.....	6,208,797	13,673,136	16,000,000
<b>Financing:</b>			
Comparative transfers to other accounts.....	4,850	5,935	-----
Unobligated balance brought forward.....	-682,718	-1,679,071	-----
Unobligated balance carried forward.....	1,679,071	-----	-----
Appropriation (adjusted).....	7,210,000	12,000,000	16,000,000

## PROGRAM AND PERFORMANCE

1. *Watershed planning and works of improvement.*—The Department cooperates with States and their political subdivisions in planning and installing works of improvement in small watersheds. Such works are designed to prevent erosion, floodwater, and sediment damage, and to further

the conservation, development, utilization, and disposal of water.

As of the end of the fiscal year 1955, there were 28 field parties developing work plans for projects approved for planning. Eight additional work plan parties are to be established in 1956. Work plans include works of improvement, land-treatment measures, cost-benefit analyses, cost estimates, cost-sharing and maintenance proposals, and other data which serve as the basis for approval for receiving Federal assistance. In 1956, planning is expected to be conducted in nearly all States.

## MAIN WORKLOAD FACTORS

	1955 actual	1956 estimate	1957 estimate
Number of applications received.....	353	250	250
Number of applications approved for planning.....	68	100	100
Number of work plans completed and submitted to Congress.....	---	50	75
Number of projects expected to start operation.....	---	15	75

Works of improvement include waterflow-retarding structures, debris and desilting basins, diversion ditches and dikes, stream-channel improvement, floodways, and gully-control structures. These are installed in approved projects on a cost-sharing basis. Technical assistance is also provided to the sponsoring organization on contracting, installation of structures, and conservation farm planning.

The increase for 1957 is to (1) establish two additional work plan parties, (2) provide for the Federal share of the cost of structures, and (3) provide technical assistance in establishing conservation practices and supervise installation of structures.

Watershed protection on the pilot watersheds which were initiated in fiscal year 1954 will be continued in the 1957 fiscal year at the same level as in 1956.

2. *Surveys and investigations of water resources programs.*—The Department cooperates with Federal, State, and local public agencies in making investigations and surveys of watersheds for the development of coordinated water resources programs. Water-resource plans of other agencies are reviewed where such plans affect agriculture.

The increase is to place on a full-year basis the program initiated in fiscal year 1956.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>SOIL CONSERVATION SERVICE</b>			
Total number of permanent positions.....	416	754	958
Full-time equivalent of all other positions.....	70	147	165
Average number of all employees.....	495	943	1,086
Number of employees at end of year.....	504	851	1,035
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,493	\$4,830	\$4,847
Average grade.....	GS-6.5	GS-6.4	GS-6.5
01 Personal services:			
Permanent positions.....	\$2,175,232	\$4,103,791	\$4,669,960
Positions other than permanent.....	210,532	461,763	500,540
Regular pay above 52-week base.....	9,437	13,959	-----
Payment above basic rates.....	45,231	55,605	58,600
Other payments for personal services.....	2,994	31,582	36,400
Total personal services.....	2,443,426	4,666,700	5,265,500
02 Travel.....	246,949	442,600	505,500
03 Transportation of things.....	26,741	52,300	57,000
04 Communication services.....	25,460	41,800	52,400
05 Rents and utility services.....	19,679	42,200	59,300
06 Printing and reproduction.....	36,274	75,300	87,500
07 Other contractual services.....	2,475,166	6,919,586	5,901,900
Services performed by other agencies.....	22,048	33,500	29,000
08 Supplies and materials.....	155,907	241,000	285,000
09 Equipment.....	231,976	228,100	356,700
11 Grants, subsidies, and contributions.....	-----	-----	2,427,000
13 Refunds, awards, and indemnities:			
Awards for employees suggestions.....	291	500	1,000



## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>SOIL CONSERVATION SERVICE—continued</b>			
15 Taxes and assessments.....	\$5,205	\$9,100	\$8,700
Subtotal.....	5,689,122	12,752,686	15,036,500
Deduct charges for quarters and subsistence.....	218	318	300
Total, Soil Conservation Service.....	5,688,904	12,752,368	15,036,200
<b>ALLOTMENT TO FOREST SERVICE</b>			
Total number of permanent positions.....	25	45	47
Full-time equivalent of all other positions.....	41	30	30
Average number of all employees.....	68	75	80
Number of employees at end of year.....	67	82	85
<b>Average salaries and grades:</b>			
<b>General schedule grades:</b>			
Average salary.....	\$4,707	\$5,069	\$5,042
Average grade.....	GS-6.6	GS-6.7	GS-6.7
Ungraded positions: Average salary.....	\$3,739	\$3,872	\$3,872
01 Personal services:			
Permanent positions.....	\$139,695	\$255,315	\$284,270
Positions other than permanent.....	114,680	104,453	104,453
Regular pay above 52-week base.....	605	985	-----
Payment above basic rates.....	133	412	412
Total personal services.....	255,113	361,165	389,135
02 Travel.....	25,813	37,868	41,998
03 Transportation of things.....	3,280	3,800	3,800
04 Communication services.....	1,944	2,400	2,700
05 Rents and utility services.....	1,583	1,500	1,500
06 Printing and reproduction.....	119	300	300
07 Other contractual services.....	39,139	50,000	40,000
Services performed by other agencies.....	41,865	44,100	43,600
08 Supplies and materials.....	23,497	36,328	31,897
09 Equipment.....	2,604	5,200	5,500
10 Lands and structures.....	14,616	45,000	40,000
11 Grants, subsidies, and contributions.....	52,668	130,000	130,000
15 Taxes and assessments.....	2,017	1,630	1,630
Subtotal.....	464,258	719,291	732,060
Deduct charges for quarters and subsistence.....	66	60	60
Total, Forest Service.....	464,192	719,231	732,000
<b>ALLOCATION TO AGRICULTURAL RESEARCH SERVICE</b>			
Total number of permanent positions.....	4	19	19
Full-time equivalent of all other positions.....	-----	1	3
Average number of all employees.....	5	17	21
Number of employees at end of year.....	13	21	21
<b>Average salaries and grades:</b>			
<b>General schedule grades:</b>			
Average salary.....	\$4,844	\$5,245	\$5,361
Average grade.....	GS-7.0	GS-7.0	GS-6.9
01 Personal services:			
Permanent positions.....	\$34,040	\$101,500	\$116,900
Positions other than permanent.....	-----	7,520	15,000
Regular pay above 52-week base.....	329	530	-----
Total personal services.....	34,369	109,550	131,900
02 Travel.....	3,802	18,100	22,500
04 Communication services.....	5	300	400
07 Other contractual services.....	106	1,100	1,100
Services performed by other agencies.....	2,140	7,600	15,600
15 Taxes and assessments.....	16	150	300
Total, Agricultural Research Service.....	40,438	136,800	171,800
<b>ALLOCATION TO GEOLOGICAL SURVEY, DEPARTMENT OF THE INTERIOR</b>			
07 Other contractual services.....	15,263	64,737	60,000
Total obligations.....	6,208,797	13,673,136	16,000,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$7,250,000	\$12,000,000	\$16,000,000
Transferred to "Salaries and expenses, Office of the General Counsel, Agriculture" (68 Stat. 812).....	—40,000	-----	-----
Adjusted appropriation.....	7,210,000	12,000,000	16,000,000
Balance brought forward:			
Unobligated.....	682,718	1,679,071	-----
Obligated.....	2,215,055	2,194,070	5,800,141
Total budget authorizations available.....	10,107,773	15,873,141	21,800,141

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	\$6,234,632	\$7,878,960	\$7,949,859
Out of prior authorizations.....			
Total expenditures.....	6,234,632	10,073,000	13,750,000
Balance carried forward:			
Unobligated.....	1,679,071	-----	-----
Obligated.....	2,194,070	5,800,141	8,050,141
Total expenditures and balances.....	10,107,773	15,873,141	21,800,141

## FLOOD PREVENTION

## Flood Prevention, Soil Conservation Service

For expenses necessary, in accordance with the Flood Control Act, approved June 22, 1936 ([Public Law 738] 33 U. S. C. 701-709), as amended and supplemented, and in accordance with the provisions of laws relating to the activities of the Department, to perform works of improvement, including not to exceed \$100,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not to exceed \$100 per diem, to remain available until expended, [\$10,000,000] \$10,700,000, with which shall be merged the unexpended balances of funds heretofore appropriated or transferred to the Department for flood prevention purposes: *Provided*, That no part of such funds shall be used for the purchase of lands in the Yazoo and Little Tallahatchie watersheds without specific approval of the county board of supervisors of the county in which such lands are situated: *Provided further*, That hereafter the funds appropriated for flood prevention purposes may be expended in watersheds heretofore authorized by section 13 of the Flood Control Act of December 22, 1944, as amended, for necessary measures for the prevention of erosion, floodwater, and sediment damages, including gully control, floodwater detention, and floodway structures, in areas other than those over which the Department of the Army has jurisdiction and responsibility. (5 U. S. C. 511-512; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, \$10,000,000

Estimate 1957, \$10,700,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Preliminary examinations and surveys.....	\$220,039	\$95,159	-----
2. Works of improvement.....	8,916,806	11,552,290	\$10,700,000
3. General basin investigations in the Arkansas-White-Red River and New England-New York areas.....	262,551	60,548	-----
Total obligations.....	9,399,396	11,707,997	10,700,000
<b>Financing:</b>			
Comparative transfers from other accounts.....	—1,584,717	-----	-----
Unobligated balance brought forward.....	—2,040,676	—1,707,997	-----
Unobligated balance carried forward.....	1,707,997	-----	-----
Appropriation.....	7,482,000	10,000,000	10,700,000

## PROGRAM AND PERFORMANCE

The aim of the Department's flood prevention work on watersheds is to prevent or reduce floodwater and sediment damage in upstream areas and to reduce sedimentation of river channels and reservoirs.

The proposed increase in the appropriation is to accelerate the installation of works of improvement in those watersheds where the local people desire to move ahead with the program more rapidly and are able to furnish necessary easements and rights-of-way for the structural improvements, share construction costs, and accept responsibility for maintenance of the completed works of improvement.

1. *Preliminary examinations and surveys.*—During the fiscal year 1955 the Department essentially completed

## CURRENT AUTHORIZATIONS—Continued

## SOIL CONSERVATION SERVICE—Continued

## FLOOD PREVENTION—continued

## Flood Prevention, Soil Conservation Service—Continued

the review surveys of 6 of the 11 authorized flood prevention watersheds where works of improvement are presently being installed. Remaining field work and the review survey reports will be completed in 1956. No further preliminary examination or survey work is contemplated under this appropriation.

2. *Works of improvement.*—Improvement measures were authorized on 11 watersheds by the Food Control Act of 1944. Measures primarily for flood prevention, such as floodwater retarding and sediment control structures, debris barriers and basins, deflectors, diversion ditches and dikes, riprapping of stream banks, and other improvements are being installed, usually by private contractors, on a cost-sharing basis with local interests. Land treatment measures which contribute to flood prevention are installed by private owners with technical and other assistance furnished by the Department. Measures installed on the watersheds are complementary to the mainstream flood control works constructed by the Corps of Engineers and other agencies.

3. *General basin investigations in the Arkansas-White-Red River and New England-New York areas.*—All field work and reports on the agricultural phases of the resource development programs for the Arkansas-White-Red River and the New England-New York areas were completed by the Department during the 1955 fiscal year. Copies of the reports have been furnished to all interested States and agencies involved for review and comment. Such revisions of the reports as are determined necessary and final reproduction will be completed in 1956. No additional basin investigations are contemplated by the Department under this appropriation.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>SOIL CONSERVATION SERVICE</b>			
Total number of permanent positions.....	656	637	629
Full-time equivalent of all other positions.....	141	154	139
Average number of all employees.....	723	783	760
Number of employees at end of year.....	547	680	665
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,493	\$4,830	\$4,847
Average grade.....	GS-6.5	GS-6.4	GS-6.5
01 Personal services:			
Permanent positions.....	\$2,721,211	\$2,941,853	\$2,914,100
Positions other than permanent.....	365,788	428,448	385,100
Regular pay above 52-week base.....	10,716	10,864	
Payment above basic rates.....	35,561	37,919	39,200
Other payments for personal services.....	3,920	15,470	
Total personal services.....	3,137,196	3,434,554	3,338,400
02 Travel.....	153,564	163,300	160,600
03 Transportation of things.....	18,477	23,600	22,000
04 Communication services.....	37,159	37,400	34,000
05 Rents and utility services.....	49,797	46,800	42,500
06 Printing and reproduction.....	24,090	16,500	15,000
07 Other contractual services.....	4,026,956	6,101,065	5,299,500
Services performed by other agencies.....	53,456	50,800	46,000
08 Supplies and materials.....	398,076	444,200	407,000
09 Equipment.....	125,146	100,800	96,000
13 Refunds, awards, and indemnities:			
Awards for employee suggestions.....	325	300	500
15 Taxes and assessments.....	9,745	8,900	8,000
Total, Soil Conservation Service.....	8,033,987	10,428,219	9,469,500

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>ALLOTMENT TO AGRICULTURAL RESEARCH SERVICE</b>			
Total number of permanent positions.....	2		
Average number of all employees.....	3		
Number of employees at end of year.....	0		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,842		
Average grade.....	GS-6.9		
01 Personal services: Permanent positions.....	\$19,098		
02 Travel.....	3,236		
07 Other contractual services.....	59		
Services performed by other agencies.....	1,240		
08 Supplies and materials.....	7		
15 Taxes and assessments.....	49		
Total, Agricultural Research Service.....	23,689		
<b>ALLOTMENT TO FOREST SERVICE</b>			
Total number of permanent positions.....	85	58	58
Full-time equivalent of all other positions.....	127	97	97
Average number of all employees.....	241	191	191
Number of employees at end of year.....	172	155	155
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,707	\$5,069	\$5,042
Average grade.....	GS-6.6	GS-6.7	GS-6.7
Ungraded positions: Average salary.....	\$3,739	\$3,872	\$3,872
01 Personal services:			
Permanent positions.....	\$476,026	\$395,026	\$396,298
Positions other than permanent.....	262,720	225,662	225,662
Regular pay above 52-week base.....	1,311	1,272	
Payment above basic rates.....	2,496	2,660	2,660
Total personal services.....	742,553	624,620	624,620
02 Travel.....	21,903	18,000	18,000
03 Transportation of things.....	2,652	2,000	2,000
04 Communication services.....	7,572	6,800	6,800
05 Rents and utility services.....	5,857	6,800	6,800
06 Printing and reproduction.....	107		
07 Other contractual services.....	205,711	237,000	200,500
Services performed by other agencies.....	199,704	220,000	215,000
08 Supplies and materials.....	114,867	141,058	133,280
09 Equipment.....	26,971	11,500	11,500
11 Grants, subsidies, and contributions.....	10,885	10,000	10,000
15 Taxes and assessments.....	5,564	5,000	5,000
Subtotal.....	1,344,346	1,282,778	1,233,500
Deduct charges for quarters and subsistence.....	2,626	3,000	3,000
Total, Forest Service.....	1,341,720	1,279,778	1,230,500
Total obligations.....	9,399,396	11,707,997	10,700,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$7,482,000	\$10,000,000	\$10,700,000
Balance brought forward:			
Unobligated.....	2,040,676	1,707,997	
Obligated.....	2,103,871	2,765,847	4,499,844
Total budget authorizations available.....	11,626,547	14,473,844	15,199,844
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	7,152,703	5,500,156	6,200,156
Out of prior authorizations.....		4,473,844	4,499,844
Total expenditures.....	7,152,703	9,974,000	10,700,000
Balance carried forward:			
Unobligated.....	1,707,997		
Obligated.....	2,765,847	4,499,844	4,499,844
Total expenditures and balances.....	11,626,547	14,473,844	15,199,844



## WATER CONSERVATION AND UTILIZATION PROJECTS

## Water Conservation and Utilization Projects, Soil Conservation Service

For expenses necessary to carry out the functions of the Department under the Acts of May 10, 1939 (53 Stat. 685, 719), October 14, 1940 (16 U. S. C. 590y-z-10), as amended and supplemented, June 28, 1949 (63 Stat. 277), and September 6, 1950 (7 U. S. C. 1033-1039), relating to water conservation and utilization projects, to remain available until expended, \$232,000, which sum shall be merged with the unexpended balances of funds heretofore appropriated to said Department for the purpose of said Acts.

Estimate 1957, \$232,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Development of land for irrigation (total obligations).....	\$330,455	\$374,500	\$332,000
<b>Financing:</b>			
Unobligated balance brought forward....	-324,955	-474,500	-100,000
Unobligated balance carried forward....	474,500	100,000	
<b>Appropriation.....</b>	<b>480,000</b>		<b>232,000</b>

## PROGRAM AND PERFORMANCE

In cooperation with the Bureau of Reclamation, which constructs the dams, reservoirs, and principal canals, the Service develops efficient irrigation farming units on specific projects for sale. Land classification and topographic surveys are made, and project lands are subdivided into farm units of economic size. The land is cleared and leveled, and farm ditches, drains, and other water-control structures are built.

In order to protect and improve the project lands, the developed farm units are leased under specific use conditions or are planted to protective cover crops pending their sale to qualified farm families. Technical guidance on irrigation and conservation is furnished until the project is closed.

All irrigation development work on the Angostura project in South Dakota was completed in the fiscal year 1955, and final sale of the remaining farm units will be made before the 1956 crop season. Land development work on the Eden Valley project in Wyoming is continuing, and sale of the first farm units is expected to be made in the fiscal year 1957.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	37	32	28
Full-time equivalent of all other positions.....	25	28	25
Average number of all employees.....	52	58	50
Number of employees at end of year.....	72	65	62
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,493	\$4,830	\$4,847
Average grade.....	GS-6.5	GS-6.4	GS-6.5
<b>01 Personal services:</b>			
Permanent positions.....	\$122,605	\$135,782	\$117,773
Positions other than permanent.....	93,284	103,169	94,500
Regular pay above 52-week base.....	397	510	
Payment above basic rates.....	14,609	32,539	33,034
Total personal services.....	230,895	272,000	245,307
<b>02 Travel.....</b>	<b>4,129</b>	<b>1,200</b>	<b>1,700</b>
<b>03 Transportation of things.....</b>	<b>861</b>	<b>1,700</b>	<b>1,600</b>
<b>04 Communication services.....</b>	<b>1,536</b>	<b>1,400</b>	<b>1,000</b>
<b>05 Rents and utility services.....</b>	<b>4,366</b>	<b>3,800</b>	<b>2,700</b>
<b>06 Printing and reproduction.....</b>	<b>237</b>	<b>400</b>	<b>400</b>
<b>07 Other contractual services.....</b>	<b>4,497</b>	<b>4,500</b>	<b>2,093</b>
<b>08 Supplies and materials.....</b>	<b>78,622</b>	<b>73,400</b>	<b>78,100</b>
<b>09 Equipment.....</b>	<b>6,652</b>	<b>17,200</b>	<b>1,000</b>
<b>13 Refunds, awards, and indemnities.....</b>		<b>300</b>	<b>300</b>
<b>15 Taxes and assessments.....</b>	<b>2,594</b>	<b>3,000</b>	<b>2,800</b>
Subtotal.....	334,389	378,900	337,000
Deduct charges for quarters and subsistence.....	3,934	4,400	5,000
Total obligations.....	330,455	374,500	332,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$480,000		\$232,000
Balance brought forward:			
Unobligated.....	324,955	\$474,500	100,000
Obligated.....	47,231	38,201	43,901
Total budget authorizations available.....	852,186	512,701	375,901
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	339,485	368,800	206,399
Out of prior authorizations.....			123,901
Total expenditures.....	339,485	368,800	330,300
Balance carried forward:			
Unobligated.....	474,500	100,000	
Obligated.....	38,201	43,901	45,601
Total expenditures and balances.....	852,186	512,701	375,901

## Miscellaneous

## Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriation, as follows:

"Agricultural conservation program, Agriculture."

"Maintenance and operations, Army."

"Operating expenses, Atomic Energy Commission."

"Mutual security, funds appropriated to the President."

## AGRICULTURAL CONSERVATION PROGRAM SERVICE

## Agricultural Conservation Program, Agriculture

For necessary expenses to carry into effect the provisions of sections 7 to 17, inclusive, of the Soil Conservation and Domestic Allotment Act, approved February 29, 1936, as amended (16 U. S. C. 590g-590q), including not to exceed \$6,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States; [\$214,500,000] \$225,000,000, to remain available until December 31 of the next succeeding fiscal year for compliance with the program of soil-building practices and soil- and water-conserving practices authorized under this head in the Department of Agriculture and Farm Credit Administration Appropriation Act [1955] 1956, carried out during the period July 1, [1954] 1955, to December 31, [1955] 1956, inclusive: *Provided*, That not to exceed [\$22,800,000] \$24,698,000 of the total sum provided under this head shall be available during the current fiscal year for salaries and other administrative expenses for carrying out such program, the cost of aerial photographs, however, not to be charged to such limitation; but not more than [\$4,320,000] \$4,773,800 shall be transferred to the appropriation account, "Administrative expenses, section 392, Agricultural Adjustment Act of 1938": *Provided further*, That payments to claimants hereunder may be made upon the certificate of the claimant, which certificate shall be in such form as the Secretary may prescribe, that he has carried out the conservation practice or practices and has complied with all other requirements as conditions for such payments and that the statements and information contained in the application for payment are correct and true, to the best of his knowledge and belief, under the penalties of title 18, United States Code: *Provided further*, That none of the funds herein appropriated or made available for the functions assigned to the Agricultural Adjustment Agency pursuant to the Executive Order Numbered 9069, of February 23, 1942, shall be used to pay the salaries or expenses of any regional information employees or any State information employees, but this shall not preclude the answering of inquiries or supplying of information at the county level to individual farmers: *Provided further*, That such amount shall be available for salaries and other administrative expenses in connection with the formulation and administration of the [1956] 1957 program of soil-building practices and soil- and water-conserving practices, under the Act of February 29, 1936, as amended (amounting to \$250,000,000, including administration, and formulated on the basis of a distribution of the funds available for payments and grants among the several States in accordance with their conservation needs as determined by the Secretary, except that the proportion allocated to any State shall not be reduced more than 15 per centum from the distribution for the next preceding program



## CURRENT AUTHORIZATIONS—Continued

AGRICULTURAL CONSERVATION PROGRAM  
SERVICE—Continued

## Agricultural Conservation Program, Agriculture—Continued

year, and no participant shall receive more than \$1,500, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community; but the payments or grants under such programs shall be conditioned upon the utilization of land with respect to which such payments or grants are to be made in conformity with farming practices which will encourage and provide for soil-building and soil- and water-conserving practices in the most practical and effective manner and adapted to conditions in the several States, as determined and approved by the State committees appointed pursuant to section 8 (b) of the Soil Conservation and Domestic Allotment Act, as amended (16 U. S. C. 590h (b)), for the respective States: *Provided further*, That not to exceed 5 per centum of the allocation for the [1956] 1957 agricultural conservation program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the agricultural conservation program in the participating counties, and the funds so allotted may be placed in a single account for each State, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, *and in addition, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: Provided further*, That for the [1956] 1957 program \$2,500,000 shall be available for technical assistance in formulating and carrying out agricultural conservation practices and \$1,000,000 shall be available for conservation practices related directly to flood-prevention work in approved watersheds: *Provided further*, That in carrying out the [1956] 1957 program the Secretary shall give particular consideration to the conservation problems on farmlands diverted from crops under acreage-allotment programs: *Provided further*, That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other farming material, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out farming practices approved by the Secretary under programs provided for herein: *Provided further*, That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities", approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18, United States Code, section 1913, to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

[Not to exceed \$5,000,000 of the appropriation under the head "Agricultural Conservation Program Service", in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1955, shall be available for the purposes specified under the head "Agricultural conservation program", in the Second Supplemental Appropriation Act, 1955, and shall be merged with the amount provided therein.] (69 Stat. 65, 545; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956; Supplemental Appropriation Act, 1956.)

Appropriated 1956, \$214,500,000 Estimate 1957, \$225,000,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Cost-sharing assistance to farmers....	\$183,927,965	\$250,588,867	\$250,000,000
2. Farmland restoration in flood-stricken areas.....	10,868		
3. Payments of loans from Commodity Credit Corporation.....	51,143,881	7,450,000	18,450,000
Total obligations.....	235,082,714	258,038,867	268,450,000
<b>Financing:</b>			
Unobligated balance brought forward.....	—3,292,934	—88,867	
Unobligated balance transferred to "Foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Service" (21 U. S. C. 129).....	1,197,481		
Recovery of prior year obligations.....	—10,713		
Loan from Commodity Credit Corporation.....	—43,450,000	—43,450,000	—43,450,000

## PROGRAM AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
<b>Financing—Continued</b>			
Unobligated balance carried forward.....	\$88,867		
Unobligated balance no longer available.....	2,084,585		
<b>Appropriation.....</b>	<b>191,700,000</b>	<b>\$214,500,000</b>	<b>\$225,000,000</b>

## PROGRAM AND PERFORMANCE

This program is designed to encourage conservation by sharing with farmers and ranchers the cost of applying approved measures considered as needed in the public interest and which farmers generally would not perform adequately with their own resources.

Funds are distributed among the States and Territories on the basis of conservation needs. The rate of cost-sharing averages less than 50 percent of the cost. Cost sharing may be in the form of a payment upon completion of the practice, or by furnishing materials or services.

Conservation measures include primarily: (1) Establishment of permanent protective cover, (2) improvement and protection of established vegetative cover, (3) conservation and disposal of water, (4) establishment of temporary vegetative cover, and (5) temporary protection of soil from wind and water erosion.

A program is developed for each State and county by the State and county agricultural stabilization and conservation committees, and representatives of the Soil Conservation Service and of the Forest Service. Representatives of the land-grant colleges, Farmers' Home Administration, State soil conservation committees, local soil conservation districts, the Agricultural Extension Service, and other State or Federal agricultural agencies are consulted. The program is administered by farmer-elected county and community committeemen. The Soil Conservation Service and Forest Service assume responsibility for the technical phases of permanent-type practices in their respective fields.

Loans from the Commodity Credit Corporation to the Secretary of Agriculture are used to make advances for the purchase of conservation materials or services from January 1 to June 30 of each year; repayment with interest is made during the current fiscal year from balances available from prior years' appropriations or in the succeeding fiscal year from the new funds appropriated. The status of the loan account is:

## SCHEDULE OF LOANS AND REPAYMENTS

	Fiscal year 1954	Fiscal year 1955	Fiscal year 1956	Total
Received from loan from Commodity Credit Corporation.....	\$30,143,881	\$43,450,000	\$43,450,000	\$117,043,881
Interest.....	13,079	5,542		18,621
<b>Total.....</b>	<b>30,156,960</b>	<b>43,455,542</b>	<b>43,450,000</b>	<b>117,062,502</b>
Repaid or to be repaid from appropriation for fiscal years:				
1952.....	400,221	502,113		902,334
1953.....	3,612,858	2,103,429		5,716,287
1954.....		33,400,000		33,400,000
1955.....	26,143,881		25,000,000	51,143,881
1956.....		7,450,000		7,450,000
1957.....			18,450,000	18,450,000
<b>Total.....</b>	<b>30,156,960</b>	<b>43,455,542</b>	<b>43,450,000</b>	<b>117,062,502</b>

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>AGRICULTURAL CONSERVATION PROGRAM SERVICE</b>			
Total number of permanent positions.....	63	62	58
Average number of all employees.....	49	55	55



## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>AGRICULTURAL CONSERVATION PROGRAM SERVICE—continued</b>			
Number of employees at end of year.....	54	56	56
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,590	\$6,325	\$6,559
Average grade.....	GS-7.8	GS-8.2	GS-8.5
01 Personal services:			
Permanent positions.....	\$304,836	\$356,030	\$357,400
Regular pay above 52-week base.....	1,288	1,370	
Total personal services.....	306,124	357,400	357,400
02 Travel.....	29,718	32,860	32,800
03 Transportation of things.....	500	500	500
04 Communication services.....	6,277	6,500	6,500
06 Printing and reproduction.....	4,992	7,000	7,000
07 Other contractual services.....	16,229	4,000	4,000
Advanced to "Administrative expenses, see. 392, Agricultural Adjustment Act of 1938" (7 U. S. C. 1392).....	20,559	21,947	21,947
08 Supplies and materials.....	2,228	2,800	2,800
09 Equipment.....	3,030	2,500	2,500
11 Grants subsidies and contributions.....	211,641,232	233,869,492	242,715,132
15 Taxes and assessments.....	378	800	800
Total, Agricultural Conservation Program Service.....	212,031,267	234,305,739	243,151,379
<b>ALLOTMENT TO COMMODITY STABILIZATION SERVICE</b>			
Total number of permanent positions.....	118	126	123
Full-time equivalent of all other positions.....	4	4	4
Average number of all employees.....	111	124	124
Number of employees at end of year.....	110	125	125
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,192	\$4,499	\$4,523
Average grade.....	GS-5.3	GS-5.3	GS-5.4
01 Personal services:			
Permanent positions.....	\$423,974	\$525,786	\$527,802
Positions other than permanent.....	2,552		
Regular pay above 52-week base.....	1,615	2,016	
Payment above basic rates.....	4,439	1,900	1,900
Total personal services.....	432,580	529,702	529,702
02 Travel.....	3,726	5,500	5,500
03 Transportation of things.....	22,332	22,250	22,250
04 Communication services.....	3,842	4,600	4,600
05 Rents and utility services.....	15,513	16,180	16,180
06 Printing and reproduction.....	2,043	2,600	2,600
07 Other contractual services.....	210,172	368,289	283,782
Advanced to—			
"Administrative expenses, see. 392, Agricultural Adjustment Act of 1938" (7 U. S. C. 1392).....	3,659,884	4,110,368	4,322,368
"Local administration, see. 388, Agricultural Adjustment Act of 1938" (7 U. S. C. 1388).....	18,378,200	18,378,200	19,816,200
Services performed by other agencies.....	24,517	10,100	10,100
08 Supplies and materials.....	171,381	154,254	154,254
09 Equipment.....	12,803	4,500	4,500
15 Taxes and assessments.....	1,946	3,400	3,400
Total, Commodity Stabilization Service.....	22,938,939	23,609,943	25,175,436
<b>ALLOTMENT TO FOREST SERVICE</b>			
Total number of permanent positions.....	16	16	16
Average number of all employees.....	17	17	17
Number of employees at end of year.....	16	16	16
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,707	\$5,068	\$5,041
Average grade.....	GS-6.6	GS-6.7	GS-6.7
01 Personal services:			
Permanent positions.....	\$79,176	\$85,506	\$85,506
Positions other than permanent.....	1,665	1,625	1,625
Regular pay above 52-week base.....	197	200	
Payment above basic rates.....	10	40	40
Total personal services.....	81,048	87,371	87,171
02 Travel.....	4,410	7,870	7,870
03 Transportation of things.....	86	200	200
04 Communication services.....	925	1,000	1,000
05 Rents and utility services.....	2,751	5,300	5,300
06 Printing and reproduction.....	169	200	200
07 Other contractual services.....	1,321	2,250	2,250
Services performed by other agencies.....	9,328	16,300	16,500
08 Supplies and materials.....	1,000	2,124	2,124
09 Equipment.....	495	400	400
15 Taxes and assessments.....	107	170	170
Total, Forest Service.....	101,640	123,185	123,185

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>ALLOTMENT TO SOIL CONSERVATION SERVICE</b>			
Full-time equivalent of all other positions.....	1		
Average number of all employees.....	2		
Number of employees at end of year.....	0		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,497		
Average grade.....	GS-6.4		
01 Personal services:			
Permanent positions.....	\$7,417		
Positions other than permanent.....	2,471		
Payment above basic rates.....	411		
Total personal services.....	10,299		
02 Travel.....	66		
04 Communication services.....	1		
06 Printing and reproduction.....	1		
07 Other contractual services.....	425		
08 Supplies and materials.....	25		
15 Taxes and assessments.....	51		
Total, Soil Conservation Service.....	10,868		
Total obligations.....	\$235,082,714	\$258,038,867	\$268,450,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$191,700,000	\$214,500,000	\$225,000,000
Balance brought forward:			
Unobligated.....	3,292,934	88,867	
Obligated.....	102,964,138	58,349,390	52,938,257
Total budget authorizations available.....	297,957,072	272,938,257	277,938,257
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	235,147,121	165,000,000	170,000,000
Out of prior authorizations.....			
Total expenditures.....	235,147,121	220,000,000	220,000,000
Unobligated balance transferred to "Foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Service" (21 U. S. C. 129).....	1,197,481		
Balance no longer available:			
Unobligated (expiring for obligation).....	2,084,585		
Other.....	1,089,628		
Balance carried forward:			
Unobligated.....	88,867		
Obligated.....	58,349,390	52,938,257	57,938,257
Total expenditures and balances.....	297,957,072	272,938,257	277,938,257

## AGRICULTURAL MARKETING SERVICE

## MARKETING RESEARCH AND SERVICE

## Marketing Research and Service, Agricultural Marketing Service

For expenses necessary to carry on research and service to improve and develop marketing and distribution relating to agriculture as authorized by the Agricultural Marketing Act of 1946 (7 U. S. C. 1621–1627) and other laws, including the administration of marketing regulatory acts connected therewith: *Provided*, That appropriations hereunder shall be available pursuant to 5 U. S. C. 565a for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided, the cost of erecting any one building shall not exceed \$7,500 and the cost of altering any one building during the fiscal year shall not exceed \$3,750 or 2 per centum of the cost of the building, whichever is greater:

Marketing research and agricultural estimates: For research and development relating to agricultural marketing and distribution, for analyses relating to farm prices, income and population, and demand for farm products, and for crop and livestock estimates; [\$11,046,000] \$12,552,000: *Provided*, That not less than \$250,000 of the funds contained in this appropriation shall be available to gather statistics and conduct a special study on the price spread between the farmer and the consumer: *Provided further*, That no part of the funds herein appropriated shall be available for any expense incident to ascertaining, collating, or publishing a report



## CURRENT AUTHORIZATIONS—Continued

## AGRICULTURAL MARKETING SERVICE—Continued

## MARKETING RESEARCH AND SERVICE—continued

## Marketing Research and Service, Agricultural Marketing Service—Continued

stating the intention of farmers as to the acreage to be planted in cotton, or for estimates of apple production for other than the commercial crop.

Marketing services: For services relating to agricultural marketing and distribution, for carrying out regulatory acts connected therewith, and for administration and coordination of payments to States; [\$11,960,000] \$13,016,000, including not to exceed \$25,000 for employment at rates not to exceed \$100 per diem, pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), in carrying out section 201 (a) to 201 (d), inclusive, of title II of the Agricultural Adjustment Act of 1938 (7 U. S. C. 1291) and section 203 (j) of the Agricultural Marketing Act of 1946. (5 U. S. C. 511-512, 541a, 556b, 563-564, 575; 7 U. S. C. 51-65, 71-87, 91-99, 181-229, 241-273, 411, 411a, 411b, 414a, 415b-415e, 423, 440, 471-476, 501-508, 511-511q, 516, 581-589, 951-957, 1551-1610; 15 U. S. C. 251-257i; 21 U. S. C. 94a; 26 U. S. C. 1920-1935; 31 U. S. C. 725d; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, **\$23,006,000** Estimate 1957, " **\$25,568,000**  
Appropriated (adjusted) 1956, **\$23,049,000**

\* Excludes \$21,860 for activities transferred in the estimates to "Salaries and expenses, Office of the Secretary of Agriculture." The amounts obligated in 1955 and 1956 are shown in the schedule as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Direct obligations:			
1. Marketing research and agricultural estimates:			
(a) Marketing research.....	\$5,105,390	\$5,797,500	\$6,414,500
(b) Economic and statistical analysis.....	998,338	1,366,230	1,416,600
(c) Crop and livestock estimates.....	4,025,255	4,493,900	4,720,900
Total, marketing research and agricultural estimates.....	10,128,983	11,657,630	12,552,000
2. Marketing services:			
(a) Market news service.....	3,605,765	3,975,610	4,079,665
(b) Inspection, grading and classing, and standardization.....	6,431,434	6,807,600	6,843,635
(c) Freight rate services.....	158,247	170,100	170,100
(d) Regulatory activities.....	1,515,720	1,668,200	1,816,000
(e) Administration and coordination of State payments.....	35,985	53,000	53,000
(f) Special mobilization planning.....			53,600
Total, marketing services.....	11,747,151	12,674,510	13,016,000
Total direct obligations.....	21,876,134	24,332,140	25,568,000
Reimbursable obligations:			
2. Marketing services:			
(b) Inspection, grading and classing, and standardization.....	1,166,000	1,705,500	1,705,500
Total obligations.....	23,042,134	26,037,640	27,273,500
<b>Financing:</b>			
Comparative transfers to other accounts.....	9,783	21,860	
Advances and reimbursements from other accounts.....	-1,241,000	-1,705,500	-1,705,500
Unobligated balance no longer available.....	224,784		
Appropriation (adjusted).....	22,035,701	23,049,000	25,568,000
Proposed supplemental due to pay increase.....		1,305,000	

## PROGRAM AND PERFORMANCE

The domestic agricultural marketing and distribution functions of the Department are concentrated primarily in the Agricultural Marketing Service. The marketing job has become more complex with growth and shift in populations, increased production, and as more and more functions have been transferred from the farm and home to various segments of the marketing system. The work under this appropriation on marketing research and service aimed at aiding in the orderly and efficient marketing and effective distribution of agricultural products from

the Nation's farms to the consumers is organized on a functional basis.

1. *Marketing research and agricultural estimates*—(a) *Marketing research*.—This work is aimed at developing practical answers to problems encountered in moving products from the farm to the consumer. In cooperation with public and private agencies and trade groups efforts are made to find and develop wider markets, more efficient marketing facilities, and less costly handling methods.

Substantial progress in marketing research was made during 1955. In many cases, the results of this research could be measured in terms of significant dollar savings. Others, while not adapted to dollar measurement, provided valuable information for use in solving marketing problems.

The increase for 1957 will be used to find ways of increasing efficiencies in specific marketing operations in order to minimize the cost increases attached to the expanding scope of marketing operations.

(b) *Economic and statistical analysis*.—This work involves the collection, analysis, and interpretation of data affecting agricultural prices, farm income, the supply and consumption of farm products, trends in farm population, and changes in the level of living of farm people. The results of these studies are made available to farmers through research bulletins and Situation and Outlook reports disseminated by the Extension Service and farm organizations. Farmers and others rely on these reports in planning the most profitable adjustments in their operations and marketing programs.

The increase for 1957 is to meet the need and demand for more specialized economic and statistical analyses of short-run price changes, more detailed analysis of factors affecting demand, and studies on problems of low-income farm families.

(c) *Crop and livestock estimates*.—This service provides the official estimates on agriculture, including acreage, yield, and production of crops, stocks and value of farm commodities, number and production value of livestock items, and prices paid and received by farmers. These data also are basic to computation of parity prices. Data on approximately 150 crop and livestock products are covered in the more than 500 reports issued each year. The activity is conducted through 1 Territorial and 41 State offices, most of which are operated as joint State and Federal services. Cooperative arrangements permit the States to obtain a great deal of data which could not be collected or made available from Federal funds. During 1955, States expended an estimated \$1 million on cooperative programs.

There are continuing and increasing demands from farmers and others for more crop reports in greater detail with wider coverage of production. The increase for 1957 is for use on potatoes, selected horticultural specialties, pig reports, cold storage stocks, and measuring the quality of the corn crop.

2. *Marketing services*—(a) *Market news service*.—This service provides current information on supply, movement, and prices at specific markets for practically all agricultural commodities. This day-to-day market information enables American farmers to determine where and when to sell and at what price. The information is collected and disseminated at year-round and seasonal offices maintained in more than 100 cities and towns, often with financial support and cooperation of the States. Every available means of dissemination is used—mail, press,



radio, television, telephone, telegraph, bulletin boards, and trade and farm publications.

The increase for 1957 would be used primarily to place the poultry slaughter report on a service basis, expand reporting of fruit and vegetable truck movement, and step up transmission speed on part of the leased wire network.

(b) *Inspection, grading and classing, and standardization.*—Uniform standards of quality for agricultural products are established and applied to specific lots of produce to promote confidence between buyers and sellers; reduce hazards in marketing due to misunderstandings and disputes arising from the use of nonstandard descriptions; encourage better preparation of products for market; and furnish consumers with more definite information on the quality of products they buy. The standards are applied directly by or under the supervision of Federal employees at the request of any interested party, and generally for a fee. Approximately 77 percent of the total cost of the work under the project was offset by fees and other revenue in 1955.

The use of and demand for this service have been expanding. An increase is proposed for 1957 to strengthen the supervision of grain inspections and to provide for regular financing of tobacco inspection at four newly designated auction markets.

(c) *Freight rate services.*—Assistance is provided to farmers and others in obtaining and maintaining equitable and reasonable transportation rates and services on farm products and supplies. Rate adjustments effected in any 1 year range from reductions in rates on particular commodities between specified points to adjustments that cover the entire country on all commodities. The Department in 1955 participated in 69 formal litigation actions before the Interstate Commerce Commission and other regulatory bodies and carried on 55 informal negotiations with carriers and groups of carriers—an increase of about 14 percent over the number of cases in which the Department participated in 1954. The Department's participation is limited to actions that may affect many commodities, a large area of production or which might set an important precedent for the future.

(d) *Regulatory activities.*—These include the administration of regulatory laws, such as packers and stockyards, standard container, United States warehouse, and Federal seed, to assure fair play in the market place and protect producers and handlers of agricultural commodities from financial loss due to deceptive, careless, or fraudulent marketing practices.

The continued growth of facilities and means for storing, buying, and selling, results in more demand and need for protection and benefits of regulatory laws. The increase in 1957 is for extending benefits of the Packers and Stockyards Act to additional eligible stockyards and to step up the frequency of examinations of licensed warehouses.

	1955 actual	1956 estimate	1957 estimate
Packers and Stockyards Act:			
Yards eligible for posting and supervision (estimated).....	640	640	640
Yards posted and supervised.....	335	337	412
Warehouse Act:			
Number of licensed warehouses.....	1,545	1,590	1,620
Capacity of licensed warehouses:			
Grain (millions—bushels).....	645	725	760
Cotton (millions—bales).....	11.8	12	12
Average number of supervisory inspections per warehouse.....	1.6	1.7	2.1

(e) *Administration and coordination of State payments.*—This covers the work of administering and coordinating the marketing service work performed by the States matched with funds provided by the appropriation "Pay-

ments to States, Territories, and possessions." In 1955, agreements were in effect with 36 States and 3 Territories.

(f) *Special mobilization planning.*—A limited amount of work, integrated with regular continuing functions, has been performed in carrying out the Department's defense mobilization functions assigned to Agricultural Marketing Service. This work would be expanded to assure planned readiness to deal appropriately with the food processing and distribution problems which would exist under emergency conditions.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>AGRICULTURAL MARKETING SERVICE</b>			
Total number of permanent positions.....	3,874	3,943	4,122
Full-time equivalent of all other positions.....	231	322	312
Average number of all employees.....	3,269	3,652	3,840
Number of employees at end of year.....	3,461	3,620	3,825
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,018	\$5,449	\$5,453
Average grade.....	GS-7.3	GS-7.4	GS-7.4
Personal service obligations:			
Permanent positions.....	\$15,874,537	\$18,145,141	\$19,136,147
Positions other than permanent.....	667,382	1,003,960	972,390
Regular pay above 52-week base.....	62,829	66,207	78,343
Payment above basic rates.....	97,303	78,343	78,343
Total personal service obligations.....	16,702,051	19,293,651	20,186,880
Direct obligations:			
01 Personal services.....	15,797,281	18,028,451	18,921,680
02 Travel.....	1,034,958	1,318,910	1,380,100
03 Transportation of things.....	236,935	229,170	233,270
04 Communication services.....	1,532,347	1,594,639	1,637,500
05 Rents and utility services.....	191,313	222,390	180,280
06 Printing and reproduction.....	413,032	468,890	484,000
07 Other contractual services.....	1,235,853	1,208,750	1,323,620
Services performed by other agencies.....	138,008	100,069	161,200
08 Supplies and materials.....	420,331	414,930	444,500
09 Equipment.....	459,347	250,590	297,000
10 Land and structures.....	7,500	7,500	7,500
13 Refunds, awards, and indemnities.....	9,239	2,120	2,120
15 Taxes and assessments.....	46,411	46,160	46,150
Total direct obligations.....	21,515,055	23,592,560	25,111,420
Reimbursable obligations:			
01 Personal services.....	904,770	1,265,200	1,265,200
02 Travel.....	97,190	185,700	185,700
03 Transportation of things.....	42,978	96,100	96,100
04 Communication services.....	38,122	48,400	48,400
05 Rents and utility services.....	15,572	20,000	20,000
06 Printing and reproduction.....	13,145	17,400	17,400
07 Other contractual services.....	7,116	13,600	13,600
Services performed by other agencies.....	2,333	33,100	33,100
08 Supplies and materials.....	25,156	19,300	19,300
09 Equipment.....	14,673	200	200
13 Refunds, awards, and indemnities.....	133	6,500	6,500
15 Taxes and assessments.....	4,812	6,500	6,500
Total reimbursable obligations.....	1,166,000	1,705,500	1,705,500
Total, Agricultural Marketing Service.....	22,681,055	25,598,060	26,816,920
<b>ALLOCATION TO AGRICULTURAL RESEARCH SERVICE</b>			
Total number of permanent positions.....	9	11	11
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	8	12	12
Number of employees at end of year.....	9	11	11
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,844	\$5,245	\$5,361
Average grade.....	GS-7.0	GS-7.0	GS-7.2
01 Personal services:			
Permanent positions.....	\$12,791	\$59,134	\$59,350
Positions other than permanent.....	488	1,950	1,950
Regular pay above 52-week base.....	181	216	216
Payment above basic rates.....	390	216	216
Total personal services.....	43,850	61,300	61,300
02 Travel.....	3,498	3,700	3,700
03 Transportation of things.....	348	400	400
04 Communication services.....	45	50	50
06 Printing and reproduction.....	110	100	100
07 Other contractual services.....	1,415	2,300	2,300
Services performed by other agencies.....	11,748	13,200	13,200
08 Supplies and materials.....	11,069	16,380	16,380
09 Equipment.....	4,432	500	500
15 Taxes and assessments.....	171	250	250
Total, Agricultural Research Service.....	76,686	98,180	98,180

## CURRENT AUTHORIZATIONS—Continued

## AGRICULTURAL MARKETING SERVICE—Continued

## MARKETING RESEARCH AND SERVICE—continued

## Market Research and Service, Agricultural Marketing Service—Continued

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>ALLOCATION TO FARMER COOPERATIVE SERVICE</b>			
Total number of permanent positions.....	48	48	50
Average number of all employees.....	42	47	49
Number of employees at end of year.....	44	47	48
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,266	\$5,771	\$5,773
Average grade.....	GS-7.9	GS-8.0	GS-7.9
01 Personal services:			
Permanent positions.....	\$229,692	\$269,260	\$278,900
Regular pay above 52-week base.....	896	1,040	
Payment above basic rates.....	178		
Other payments for personal services.....	2,186		
Total personal services.....	232,952	270,300	278,900
02 Travel.....	15,651	21,000	21,900
03 Transportation of things.....	464	600	600
04 Communication services.....	5,551	5,700	6,000
06 Printing and reproduction.....	8,564	13,100	13,900
07 Other contractual services.....	16,360	28,000	33,100
08 Supplies and materials.....	1,478	1,700	1,800
09 Equipment.....	2,904	700	1,900
13 Refunds, awards, and indemnities.....	4		
15 Taxes and assessments.....	465	300	300
Total, Farmer Cooperative Service.....	284,393	341,400	358,400
Total obligations.....	23,042,134	26,037,640	27,273,500

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$21,790,500	\$23,006,000	\$25,568,000
Transferred from "Removal of surplus agricultural commodities" (69 Stat. 240; 5 U. S. C. 572).....	245,201	43,000	
Adjusted appropriation.....	22,035,701	23,049,000	25,568,000
Proposed supplemental due to pay increases.....		1,305,000	
Obligated balance brought forward.....		2,936,179	3,433,179
Total budget authorizations available.....	22,035,701	27,290,179	29,001,179
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	18,874,738	19,868,500	22,041,000
Out of anticipated supplemental appropriation.....		1,252,500	52,500
Out of prior authorizations.....		2,736,000	2,964,500
Total expenditures.....	18,874,738	23,857,000	25,058,000
Unobligated balance no longer available (expiring for obligation).....	224,784		
Obligated balance carried forward.....	2,936,179	3,433,179	3,943,179
Total expenditures and balances.....	22,035,701	27,290,179	29,001,179

## PAYMENTS TO STATES, TERRITORIES, AND POSSESSIONS

## Payments to States, Territories, and Possessions, Agricultural Marketing Service

For payments to departments of agriculture, bureaus and departments of markets and similar agencies for marketing activities under section 204 (b) of the Agricultural Marketing Act of 1946 (7 U. S. C. 1623 (b)), **[\$1,000,000]** \$1,100,000. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

Appropriated 1956, **\$1,000,000** Estimate 1957, **\$1,100,000**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Payments for marketing service work (sec. 204 (b) of the Agricultural Marketing Act of 1946) (total obligations).....	\$900,000	\$1,000,000	\$1,100,000
<b>Financing:</b>			
Appropriation.....	900,000	1,000,000	1,100,000

## PROGRAM AND PERFORMANCE

Payments are made on a matched fund basis to State and Territorial marketing agencies for projects aimed at getting into use, in the marketing of farm products, improved methods and practices developed in the expanded marketing research program.

This program covers projects such as methods of maintaining and improving the quality of products; ways of reducing marketing costs; and use of special local market information to move abundant supplies to the most profitable market. Through this cooperative approach, the Federal Government's leadership and funds are coupled with State resources and experience to aid in the solution of the most urgent local and area marketing problems.

States generally have been expanding their agricultural marketing programs. In 1956, 39 States and Territories are conducting about 100 projects under this program compared with 34 States and 78 projects in 1954.

The increase for 1957 is to provide additional matching funds for a further expansion of this work expected to be proposed by the States.

## OBLIGATIONS BY OBJECTS

11 Grants, subsidies, and contributions—1955, \$900,000; 1956, \$1,000,000; 1957, \$1,100,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$900,000	\$1,000,000	\$1,100,000
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures (out of current authorizations).....	900,000	1,000,000	1,100,000

## SCHOOL LUNCH PROGRAM

## School Lunch Program, Agricultural Marketing Service

For necessary expenses to carry out the provisions of the National School Lunch Act (42 U. S. C. 1751–1760), **[\$83,236,197]** \$83,236,000: *Provided*, That no part of this appropriation shall be used for nonfood assistance under section 5 of said Act. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

Appropriated 1956, **\$83,236,197** Estimate 1957, **\*\$83,236,000**

\* Excludes \$985 for activities transferred in the estimates to "Salaries and expenses, Office of the Secretary of Agriculture." The amounts obligated in 1955 and 1956 are shown in the schedule as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Food assistance:			
(a) Cash payments.....	\$69,142,000	\$67,010,000	\$67,010,000
(b) Commodity procurement (sec. 6).....	12,835,561	14,930,000	14,930,000



## PROGRAM AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities—Continued</b>			
2. Operating expenses.....	\$1, 130, 789	\$1, 295, 212	\$1, 296, 000
Total obligations.....	83, 108, 350	83, 235, 212	83, 236, 000
<b>Financing:</b>			
Comparative transfers to other accounts.....	755	985	
Unobligated balance no longer available.....	127, 092		
<b>Appropriation.....</b>	<b>83, 236, 197</b>	<b>83, 236, 197</b>	<b>83, 236, 000</b>

## PROGRAM AND PERFORMANCE

Assistance, in the form of both funds and food, is provided to States and Territories for use in serving lunches to schoolchildren. Each State's portion of the total funds available is determined by means of a statutory formula which takes into account the number of school-age children in the State and the relationship between the per capita income of the State and the average United States per capita income.

The program is operated according to the terms of an agreement entered into by the State educational agency (which administers the program within the State) and the Department of Agriculture. Schools make application to the State agency and, if accepted for participation in the program, are reimbursed for a part of the food cost of each meal served.

In 1955, the States contributed to this program over \$462 million, most of which came from payments by children. This was far in excess of the \$86.8 million necessary to meet the statutory matching requirement of \$1.50 for each Federal dollar of cash payment.

In addition to the cash assistance, this appropriation is also used to purchase food for distribution to the schools. This program also provides one of the major outlets for surplus commodities purchased under section 32 of the Agricultural Adjustment Act, as amended. Commodities acquired under the price-support program are also available to the school-lunch program under section 416 of the Agricultural Act of 1949, as amended. The volume of surplus commodities distributed to schools, however, is dependent upon market conditions and the need for the Federal Government to remove surpluses.

The program in 1955 provided lunches to nearly one-third of the approximately 35 million schoolchildren in the country. Participation in the program is expected to continue to grow in 1956 and 1957.

During 1955 about \$405.9 million worth of agricultural commodities were used in school lunches. About 22 percent of this amount represented contributions from Federal surplus removal-price support programs.

Participation and financing of the program in the last 3 years has been:

	1953	1954	1955
<b>Participation:</b>			
Average number of schools.....	51, 807	51, 731	53, 400
Average number of schoolchildren (millions).....	8. 608	8. 985	9. 832
Number of meals served (billions).....	1. 584	1. 661	1. 803
<b>Financing:</b>			
State and local contributions (total, including payments by children).....	\$379. 5	\$418. 0	\$462. 5
Federal appropriation (food assistance).....	82. 0	82. 1	82. 0
Surplus commodity distribution.....	51. 7	94. 2	70. 3
Special milk program.....			17. 2
Total Federal contributions.....	133. 7	176. 3	169. 5
Total all contributions.....	513. 2	594. 3	632. 0

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>AGRICULTURAL MARKETING SERVICE</b>			
Total number of permanent positions.....	154	159	159
Average number of all employees.....	144	156	156
Number of employees at end of year.....	135	145	145
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5, 439	\$5, 867	\$5, 888
Average grade.....	GS-7.8	GS-7.8	GS-7.8
01 Personal services:			
Permanent positions.....	\$789, 389	\$907, 536	\$910, 965
Regular pay above 52-week base.....	2, 931	2, 671	
Payment above basic rates.....	6, 236	4, 705	4, 735
Total personal services.....	798, 556	914, 912	915, 700
02 Travel.....	95, 957	135, 000	135, 000
03 Transportation of things.....	2, 707	7, 500	7, 500
04 Communication services.....	22, 176	25, 000	25, 000
05 Rents and utility services.....	11, 309	14, 000	14, 000
06 Printing and reproduction.....	56, 362	15, 000	15, 000
07 Other contractual services.....	7, 714	10, 000	10, 000
08 Supplies and materials.....	8, 535	12, 000	12, 000
09 Equipment.....	12, 309	12, 000	12, 000
11 Grants, subsidies, contributions:			
Cash payments.....	69, 142, 000	67, 010, 000	67, 010, 000
13 Refunds, awards, and indemnities.....	3	600	600
15 Taxes and assessments.....	744	1, 000	1, 000
Total, Agricultural Marketing Service.....	70, 158, 372	68, 157, 012	68, 157, 800
<b>ALLOCATION TO COMMODITY STABILIZATION SERVICE</b>			
Total number of permanent positions.....	18	26	26
Average number of permanent positions.....	15	22	22
Total number of employees at end of year.....	6	10	10
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4, 192	\$4, 499	\$4, 523
Average grade.....	GS-5.3	GS-5.3	GS-5.4
01 Personal services:			
Permanent positions.....	\$63, 991	\$92, 635	\$93, 000
Regular pay above 52-week base.....	254	365	
Payment above basic rates.....	1, 877	2, 000	2, 000
Total personal services.....	66, 122	95, 000	95, 000
02 Travel.....	397	1, 300	1, 300
03 Transportation of things.....	352	500	500
04 Communication services.....	4, 538	5, 285	5, 300
05 Rents and utility services.....	6, 900	7, 600	7, 600
06 Printing and reproduction.....	822	1, 000	1, 000
07 Other contractual services.....	814	800	800
Services performed by other agencies.....	15		
08 Supplies and materials.....	829	1, 000	1, 000
09 Equipment.....	2, 445	3, 000	3, 000
11 Grants, subsidies, and contributions.....	12, 835, 561	14, 930, 000	14, 930, 000
13 Refunds, awards, and indemnities.....	19	100	100
15 Taxes and assessments.....	366	400	400
Total, Commodity Stabilization Service.....	12, 919, 165	15, 046, 000	15, 046, 000
<b>ALLOCATION TO AGRICULTURAL RESEARCH SERVICE</b>			
Total number of permanent positions.....	7	8	8
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	6	7	7
Number of employees at end of year.....	5	7	7
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4, 844	\$5, 245	\$5, 361
Average grade.....	GS-7.0	GS-7.0	GS-7.2
01 Personal services:			
Permanent positions.....	\$25, 290	\$27, 331	\$27, 442
Positions other than permanent.....	3, 665	2, 944	2, 944
Regular pay above 52-week base.....	100	111	
Total personal services.....	29, 055	30, 386	30, 386
07 Other contractual services.....	1, 510	130	130
Services performed by other agencies.....	142	1, 684	1, 684
15 Taxes and assessments.....	106		
Total, Agricultural Research Service.....	30, 813	32, 200	32, 200
Total obligations.....	83, 108, 350	83, 235, 212	83, 236, 000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$83, 236, 197	\$83, 236, 197	\$83, 236, 000
Obligated balance brought forward.....	672, 232	480, 470	316, 667
Total budget authorizations available.....	83, 908, 429	83, 716, 667	83, 552, 667

## CURRENT AUTHORIZATIONS—Continued

## AGRICULTURAL MARKETING SERVICE—Continued

## SCHOOL LUNCH PROGRAM—Continued

## School Lunch Program, Agricultural Marketing Service—Con.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	\$82,641,034	\$83,050,000	\$83,050,000
Out of prior authorizations.....	457,993	350,000	250,000
Total expenditures.....	83,099,027	83,400,000	83,300,000
Balance no longer available—			
Unobligated (expiring for obligation)....	127,092		
Other.....	201,840		
Obligated balance carried forward.....	480,470	316,667	252,667
Total expenditures and balances....	83,908,429	83,716,667	83,552,667

## REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR ADVANCES FOR GRADING AND CLASSING ACTIVITIES

## Reimbursement to Commodity Credit Corporation for Advances for Grading and Classing Activities, Agricultural Marketing Service

For reimbursement to Commodity Credit Corporation for sums transferred to the appropriation "Marketing research and service", fiscal year 1955 (including interest thereon through June 30, 1956), pursuant to the Act of August 31, 1951 (7 U. S. C. 414a), for grading tobacco and classing cotton without charge to producers, as authorized by law (7 U. S. C. 473a, 511d), \$367,740.

Estimate 1957, \$367,740

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Reimbursement for inspecting, grading, and classing activities (total obligations).....	\$441,655		\$367,740
<b>Financing:</b>			
Appropriation.....	441,655		367,740

## PROGRAM AND PERFORMANCE

Advances are authorized from the Commodity Credit Corporation to appropriations available for classing and grading of agricultural commodities without charge to producers (7 U. S. C. 414a). Such advances must be repaid from subsequent appropriations. This appropriation request is for repaying advances received in the fiscal year 1955 for classing cotton and grading tobacco not placed under commodity loan.

## OBLIGATIONS BY OBJECTS

11 Grants, subsidies, and contributions—1955, \$441,655; 1957, \$367,740.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$441,655		\$367,740
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures (out of current authorizations).....	441,655		367,740

## Miscellaneous Accounts, Agricultural Marketing Service

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Balance brought forward:			
Unobligated.....		\$133	
Obligated.....	\$2,964,142	276,687	\$102,208
Increase in prior year obligations.....	4,336		
Total budget authorizations available.....	2,968,478	276,820	102,208
<b>EXPENDITURES AND BALANCES</b>			
Expenditures (out of prior authorizations):			
"Agricultural Marketing Act, Agriculture".....	829,555	165,700	93,600
"Exportation and domestic consumption of agricultural commodities, Department of Agriculture" (cotton price adjustment).....	-133	-122	
"Salaries and expenses, Bureau of Agricultural Economics".....	607,763	3,361	
"Salaries and expenses, marketing services, Production and Marketing Administration".....	1,207,205	5,418	
Total expenditures.....	2,644,390	174,357	93,600
Balance no longer available:			
Unobligated (expiring for obligation)....		255	
Other.....	47,268		
Balance carried forward:			
Unobligated.....	133		
Obligated.....	276,687	102,208	8,608
Total expenditures and balances....	2,968,478	276,820	102,208

## Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

- "Commodity Credit Corporation, administrative expenses."
- "Commodity Credit Corporation, capital funds."
- "Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938."
- "Mutual security, funds appropriated to the President."
- "Maintenance and operations, Army."
- "Research and development, Army."
- "Census of agriculture, Bureau of the Census."
- "Capital and insurance fund, Federal Crop Insurance Corporation."
- "Delegations, Federal Civil Defense Administration."

## FOREIGN AGRICULTURAL SERVICE

## Salaries and Expenses, Foreign Agricultural Service

For necessary expenses for the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954 (Public Law 690, approved August 28, 1954) 68 Stat. 908), and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed \$20,000 \$25,000 for representation allowances [ \$3,365,000: *Provided*, That not less than \$250,000 of the funds contained in this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis] and extending courtesies to representatives of foreign countries, \$3,610,000. (5 U. S. C. 511-512; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, \$3,365,000

Estimate 1957, " \$3,610,000

\* Excludes \$2,000 for activities transferred in the estimates to "Salaries and expenses, Office of the Secretary of Agriculture." The amounts obligated in 1955 and 1956 are shown as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Analysis of foreign agriculture and trade.....	\$787,757	\$897,600	\$1,003,000
2. Agricultural attachés.....	1,718,068	2,607,000	2,607,000
Total obligations.....	2,505,825	3,504,600	3,610,000



## PROGRAM AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
<b>Financing:</b>			
Comparative transfers from (—) or to other accounts.....	—\$148,000	\$2,000	-----
Unobligated balance no longer available.....	1,175	-----	-----
Appropriation (adjusted).....	2,359,000	3,365,000	\$3,610,000
Proposed supplemental due to pay increases.....	-----	141,600	-----

## PROGRAM AND PERFORMANCE

The Foreign Agricultural Service administers programs and policies relating to foreign agriculture. It provides information and assistance as guides in the planning of production and marketing of United States agricultural commodities and helps smooth the channels through which United States exports move.

Increases are proposed to intensify the analysis of factors affecting expansion of markets for United States agricultural products, and to expand studies of foreign competition.

1. *Analysis of foreign agriculture and trade.*—Analyses and interpretations are made of world trends in foreign agricultural production, trade, price, finance, marketing, consumption, competition, commercial and trade policies and economic policies of foreign governments, as such trends affect United States foreign agricultural trade and the domestic economy. The Service directs and coordinates Department participation in the formulation and development of trade programs and agreements to stabilize and expand world trade in American agricultural products, and to reduce restrictive tariff and trade practices against import of American agricultural commodities. Recommendations and positions for the Department on bilateral and multilateral trade agreements and international commodity agreements are formulated. Continuous review is made of the trade regulations and financial conditions of signatories to the General Agreement on Tariffs and Trade in American farm products. Policies, programs, positions, and standards of participation in public and private international organizations are developed.

2. *Agricultural attachés.*—A worldwide agricultural attaché program is conducted by the Department of Agriculture. Assistance is provided in development of markets abroad for United States agricultural commodities. A comprehensive schedule of foreign agricultural market and trade reporting to meet the needs of the American agricultural industry is maintained.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	258	411	426
Full-time equivalent of all other positions.....	3	4	3
Average number of all employees.....	204	365	396
Number of employees at end of year.....	259	411	426
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,527	\$7,073	\$7,068
Average grade.....	GS-9.3	GS-9.5	GS-9.5
Ungraded positions: Average salary.....	\$2,063	\$2,169	\$2,169
01 Personal services:			
Permanent positions.....	\$1,186,467	\$2,117,300	\$2,262,790
Positions other than permanent.....	15,520	17,100	15,500
Regular pay above 52-week base.....	2,350	6,200	-----
Payment above basic rates.....	86,415	296,300	308,410
Other payments for personal services.....	336,422	56,400	56,400
Total personal services.....	1,627,174	2,493,300	2,643,100
02 Travel.....	151,540	281,800	269,900
03 Transportation of things.....	78,859	170,500	67,500
04 Communication services.....	19,020	30,500	30,500

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
05 Rents and utility services.....	\$2,000	\$8,300	\$8,300
06 Printing and reproduction.....	58,565	65,000	67,000
07 Other contractual services.....	18,892	25,000	25,000
Services performed by other agencies.....	509,937	371,500	437,000
08 Supplies and materials.....	13,469	23,100	26,100
09 Equipment.....	25,235	32,300	32,300
15 Taxes and assessments.....	1,134	3,300	3,300
Total obligations.....	2,505,825	3,504,600	3,610,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$965,000	\$3,365,000	\$3,610,000
Transferred from "Salaries and expenses, State" (68 Stat. 812).....	1,400,000	-----	-----
Transferred to "Salaries and expenses, Office of the General Counsel, Agriculture" (69 Stat. 240).....	—6,000	-----	-----
Adjusted appropriation.....	2,359,000	3,365,000	3,610,000
Proposed supplemental due to pay increases.....	-----	141,600	-----
Obligated balance brought forward.....	70,504	765,864	445,464
Total budget authorizations available.....	2,429,504	4,272,464	4,055,464
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	1,592,560	2,975,500	3,191,500
Out of anticipated supplemental appropriation.....	-----	136,500	5,100
Out of prior authorizations.....	60,405	715,000	405,900
Total expenditures.....	1,652,965	3,827,000	3,602,500
Balance no longer available:			
Unobligated (expiring for obligation).....	1,175	-----	-----
Other.....	9,500	-----	-----
Obligated balance carried forward.....	765,864	445,464	452,964
Total expenditures and balances.....	2,429,504	4,272,464	4,055,464

## Miscellaneous

## Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

"Removal of surplus agricultural commodities."  
 "International educational exchange activities, State."  
 "Mutual security, funds appropriated to the President."

Information schedules relating to Foreign currency, Agricultural Trade Development and Assistance Act of 1954, Agriculture, Foreign Agricultural Service

(All amounts stated in United States dollar equivalent)

## Program and Financing

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
Market development projects (total obligations).....	-----	\$1,925,000	\$5,775,000
Financing:			
Unobligated balance brought forward.....	-----	-----	—8,460,000
Unobligated balance carried forward.....	-----	8,460,000	2,685,000
Authorization to expend foreign currency receipts pursuant to 7 U. S. C. 1704.....	-----	10,385,000	-----

## Program and Performance

Foreign currencies, generated by the sale of surplus agricultural commodities under title I of the Agricultural Trade Development and Assistance Act of 1954, are allocated to the Department of Agriculture to develop new foreign markets for United States agricultural commodities, including cotton, dairy products, fats and oils, grain, feed, livestock and meat, poultry, fruits and vegetables, and tobacco. The types of market development projects being carried out by the Department include sales pro-

## CURRENT AUTHORIZATIONS—Continued

## FOREIGN AGRICULTURAL SERVICE—Continued

Information schedules relating to Foreign currency, Agricultural Trade Development and Assistance Act of 1954, Agriculture, Foreign Agricultural Service—Continued

motion campaigns, trade fairs and exhibits, nutrition demonstrations, and market analyses. A total of \$10.4 million had been set aside in sales agreements as of September 30, 1955, with 16 countries for projects of this kind.

## Obligations by Objects

Object classification	1955 actual	1956 estimate	1957 estimate
Average number of all employees.....		4	20
Number of employees at end of year.....		10	22
01 Personal services: Positions other than permanent.....		\$9,000	\$44,000
02 Travel.....		25,000	75,000
03 Transportation of things.....		100,000	150,000
05 Rents and utility services.....		30,000	60,000
06 Printing and reproduction.....		20,000	50,000
07 Other contractual services.....		1,671,000	5,231,000
Services performed by other agencies.....		20,000	40,000
08 Supplies and materials.....		30,000	75,000
09 Equipment.....		20,000	50,000
Total obligations.....		1,925,000	5,775,000

## Budget Authorizations, Expenditures and Balances

	1955 actual	1956 estimate	1957 estimate
Budget Authorizations Available			
Authorization to expend foreign currency receipts (7 U. S. C. 1704).....		\$10,385,000	
Balance brought forward:			
Unobligated.....			\$8,460,000
Obligated.....			192,000
Total budget authorizations available.....		10,385,000	8,652,000
Expenditures and Balances			
Total expenditures (payable directly from foreign currency funds).....		1,733,000	5,390,000
Balance carried forward:			
Unobligated.....		8,460,000	2,685,000
Obligated.....		192,000	577,000
Total expenditures and balances.....		10,385,000	8,652,000

## COMMODITY EXCHANGE AUTHORITY

## Salaries and Expenses, Commodity Exchange Authority

For necessary expenses to carry into effect the provisions of the Commodity Exchange Act, as amended (7 U. S. C. 1-17a), [\$698,000] \$787,400. (69 Stat. 375; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, a \$731,000

Estimate 1957, \$787,400

a Includes \$33,000 appropriated in Supplemental Appropriation Act, 1956.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
1. Licensing.....	\$48,378	\$49,500	\$49,500
2. Supervision of futures trading.....	387,790	424,500	424,500
3. Audits.....	147,241	167,000	169,400
4. Investigations.....	117,131	139,000	144,000
Total obligations.....	700,540	780,000	787,400
Financing:			
Unobligated balance no longer available.....	1,255		
Appropriation (adjusted).....	701,795	731,000	787,400
Proposed supplemental due to pay increases.....		49,000	

## PROGRAM AND PERFORMANCE

Enforcement of the Commodity Exchange Act requires supervision over futures trading in 22 commodities on 17 exchanges to prevent price manipulation and corners and insure honesty and fair dealing. Wool was added to the act in fiscal year 1955 and onions in 1956. Transactions on contract markets were estimated at 8,385,000 in 1955, and the value of trading over \$38 billion.

1. *Licensing.*—Commission merchants and floor brokers are registered annually. In 1955 there were 620 commission merchants and 883 floor brokers so registered. The estimates for 1957 are 625 and 875 respectively. Exchange rules and regulations are reviewed to insure that legal requirements are met.

2. *Supervision of futures trading.*—This embraces (a) examination and analysis of reports and other market data, the making of market position surveys, and publication of summary data; (b) establishment, review and enforcement of speculative limits; and (c) cooperative activities with control committees of contract markets. In 1955, position surveys covered 4,474 traders.

Reports tabulated and analyzed	1955 actual	1956 estimate	1957 estimate
Daily trading volume and open contracts.....	257,211	275,000	275,000
Daily and weekly reports on large traders.....	298,565	315,000	315,000
Delivery notices.....	27,735	30,000	30,000

3. *Audits.*—Misuse of customers' funds is prevented by (a) audit and examination of books of futures commission merchants; and (b) analysis of brokers' and traders' books and financial statements.

Audits	1955 actual	1956 estimate	1957 estimate
Segregation audits.....	577	650	700
Accounts examined.....	31,281	32,000	34,000
Financial statements examined.....	617	625	675

4. *Investigations.*—Apparent or alleged violations of the law and regulations are investigated, and trade practice surveys are made to discover violations and compile legal evidence. The Authority also prepares and presents evidence of violations in administrative hearings and judicial proceedings. In 1955 there were 30 compliance investigations completed and 2,638 transactions examined.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	133	140	141
Average number of all employees.....	117	128	129
Number of employees at end of year.....	119	128	129
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,014	\$5,325	\$5,348
Average grade.....	GS-6.9	GS-6.7	GS-6.8
01 Personal services:			
Permanent positions.....	\$618,124	\$700,368	\$709,600
Positions other than permanent.....	555		
Regular pay above 52-week base.....	2,320	2,557	
Payment above basic rates.....	432	600	600
Total personal services.....	621,431	703,525	710,200
02 Travel.....	12,182	11,800	12,200
03 Transportation of things.....	1,618	1,000	1,000
04 Communication services.....	18,126	19,500	19,600
05 Rents and utility services.....	15,286	15,375	15,400
06 Printing and reproduction.....	13,834	13,600	13,700
07 Other contractual services.....	6,791	6,100	6,200
Services performed by other agencies.....	1,408	950	950
08 Supplies and materials.....	5,194	5,350	5,350
09 Equipment.....	3,595	2,150	2,150
15 Taxes and assessments.....	1,075	650	650
Total obligations.....	700,540	780,000	787,400



## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$693,000	\$731,000	\$787,400
Transferred from "Agricultural adjustment programs, Commodity Stabilization Service" (69 Stat. 240).....	8,795	-----	-----
Adjusted appropriation.....	701,795	731,000	787,400
Proposed supplemental due to pay increases.....	-----	49,000	-----
Obligated balance brought forward.....	60,204	49,415	50,415
Total budget authorizations available.....	761,999	829,415	837,815
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	651,161	685,500	747,500
Out of anticipated supplemental appropriation.....	-----	47,500	1,500
Out of prior authorizations.....	58,871	46,000	45,500
Total expenditures.....	710,032	779,000	794,500
Balance no longer available:			
Unobligated (expiring for obligation).....	1,255	-----	-----
Other.....	1,297	-----	-----
Obligated balance carried forward.....	49,415	50,415	43,315
Total expenditures and balances.....	761,999	829,415	837,815

## COMMODITY STABILIZATION SERVICE

## AGRICULTURAL ADJUSTMENT PROGRAMS

## Agricultural Adjustment Programs, Commodity Stabilization Service

For necessary expenses to formulate and carry out acreage allotment and marketing quota programs pursuant to provisions of title III of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1301-1393), **[\$39,000,000] \$41,463,000**, of which not more than **[\$6,000,000] \$6,571,100** shall be transferred to the appropriation account "Administrative expenses, section 392, Agricultural Adjustment Act of 1938". (69 Stat. 9, 23, 45, 65, 184, 557, 576, 578, 670, 684; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, **\$39,000,000** Estimate 1957, **\$41,463,000**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Acreage allotments and marketing quotas (total obligations).....	\$39,921,099	\$39,150,000	\$41,463,000
<b>Financing:</b>			
Unobligated balance no longer available.....	255,119	-----	-----
Appropriation (adjusted).....	40,176,218	39,000,000	41,463,000
Proposed supplemental due to pay increases.....	-----	150,000	-----

## PROGRAM AND PERFORMANCE

Agricultural adjustment programs include acreage allotment and marketing quota programs designed to assist in stabilizing fluctuations in the supply, marketing, and price of specified basic agricultural commodities. Acreage allotments, when necessary, are established at National, State, and county levels (only at State level in the case of tobacco). In general, the acreage allotted to any county is apportioned by farmer-elected county committeemen. National marketing quotas must be proclaimed for basic commodities whenever the supply situation specified in basic legislation requires them. However, quotas do not become effective unless approved by two-thirds of those voting in a referendum of farmers producing the commodity for which a quota is proclaimed.

Acreage allotment and marketing quota programs have been announced for the 1956 crops of tobacco, peanuts, wheat, and cotton. Present indications are that acreage allotments and marketing quotas will be in effect on the 1956 crop of rice and acreage allotments on the 1956 crop of corn. The estimate assumes continuation of programs on the 1957 crops. Work in fiscal years 1956 and 1957 will consist primarily of the following:

	Tobacco	Peanuts	Wheat	Cotton	Corn	Rice
Collecting and compiling basic data, establishing acreage allotments, and preparing and issuing allotment notices and marketing notices and cards: Fiscal years 1956 and 1957 (estimated number of allotment farms).....	609,000	127,063	1,492,000	1,009,222	1,800,000	25,000
Measuring and computing acreages (percent of allotment farms):						
Fiscal year 1956:						
1955 crop.....	55.0	38.2	2.5	27.1	19.0	50.0
1956 crop.....	45.0	61.8	97.5	72.9	46.0	50.0
Fiscal year 1957:						
1956 crop.....	55.0	38.2	2.5	27.1	19.0	50.0
1957 crop.....	45.0	61.8	97.5	72.9	46.0	50.0
Holding local referendums (number):						
Fiscal year 1956.....	795	-----	2,481	1,117	-----	154
Fiscal year 1957.....	65	508	2,481	1,117	-----	154

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
06 Printing and reproduction.....	\$224,740	\$305,000	\$305,000
07 Other contractual services: Advanced to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938" (7 U. S. C. 1392).....	5,580,359	6,343,190	6,571,100
"Local administration, sec. 388, Agricultural Adjustment Act of 1938" (U. S. C. 1388).....	34,116,000	32,501,900	34,586,900
Total obligations.....	39,921,099	39,150,000	41,463,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$41,250,000	\$39,000,000	\$41,463,000
Transferred (69 Stat. 240) to—			
"Salaries and expenses, Forest Service".....	—108,991	-----	-----
"State and private forestry cooperation, Forest Service".....	—12,986	-----	-----
"Conservation operations, Soil Conservation Service".....	—650,000	-----	-----
"Salaries and expenses, Commodity Exchange Authority".....	—8,795	-----	-----
"Salaries and expenses, Rural Electrification Administration".....	—98,490	-----	-----
"Salaries and expenses, Farmers' Home Administration".....	—170,000	-----	-----
"Salaries and expenses, Office of the Secretary of Agriculture".....	—14,520	-----	-----
"Salaries and expenses, Library, Agriculture".....	—10,000	-----	-----
Adjusted appropriation.....	40,176,218	39,000,000	41,463,000
Proposed supplemental due to pay increases.....	-----	150,000	-----
Obligated balance brought forward.....	27,781	94,003	95,515
Total budget authorizations available.....	40,203,999	39,244,003	41,558,515
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	39,827,097	38,919,188	41,357,200
Out of anticipated supplemental appropriation.....	-----	140,000	10,000
Out of prior authorizations.....	11,355	89,300	80,740
Total expenditures.....	39,838,452	39,148,488	41,447,940
Balance no longer available:			
Unobligated (expiring for obligation).....	255,119	-----	-----
Other.....	16,425	-----	-----
Obligated balance carried forward.....	94,003	95,515	110,575
Total expenditures and balances.....	40,203,999	39,244,003	41,558,515

## CURRENT AUTHORIZATIONS—Continued

## COMMODITY STABILIZATION SERVICE—Continued

## SUGAR ACT PROGRAM

## Sugar Act Program, Commodity Stabilization Service

For necessary expenses to carry into effect the provisions of the Sugar Act of 1948 (7 U. S. C. 1101-1160), [\$59,600,000] \$67,600,000, to remain available until June 30 of the next succeeding fiscal year: *Provided*, That expenditures (including transfers) from this appropriation for other than payments to sugar producers shall not exceed [\$1,575,000] \$1,873,000. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

Appropriated 1956, \$59,600,000 Estimate 1957, \$67,600,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Payments to sugar producers:			
(a) Continental beet area.....	\$33,250,000	\$29,737,000	\$30,563,061
(b) Continental cane area.....	8,060,000	8,316,600	7,346,330
(c) Offshore cane area.....	16,871,594	19,905,800	27,817,609
2. Operating expenses.....	1,514,184	1,640,600	1,873,000
Total obligations.....	59,695,778	59,600,000	67,600,000
<b>Financing:</b>			
Unobligated balance brought forward.....	—95,778		
<b>Appropriation.....</b>	<b>59,600,000</b>	<b>59,600,000</b>	<b>67,600,000</b>

## PROGRAM AND PERFORMANCE

To provide consumers with adequate supplies of sugar at reasonable prices, to maintain and protect the domestic sugar industry and to promote the export trade of the United States, quotas are established for the five domestic sugar producing areas, the Philippines, Cuba, and other foreign countries. In addition, the quota for each of the domestic areas is allotted to individual sellers when necessary to achieve orderly marketing, and restrictive farm acreage allotments are established for producers when necessary to avoid surpluses.

1. *Payments to sugar producers.*—Payments are made (a) to domestic producers of cane and beets who meet specified conditions of employment, production, and price; and (b) for abandonment of planted acreage and crop deficiencies on harvested acreages due to natural calamities.

2. *Operating expenses.*—These consist mainly of the expenses of (a) the Agricultural Stabilization and Conservation State and county offices in establishing production controls, determining compliance, and making payments to producers; and (b) of the Service's departmental work in determining sugar consumption requirements, establishing quotas and allotments, making fair wage and price determinations, establishing production controls where necessary, and formulating overall policies and procedures.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
7 Other contractual services: Advanced to—			
"Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938" (7 U. S. C. 1392).....	\$1,125,746	\$1,160,320	\$1,255,000
"Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture," (7 U. S. C. 1388).....	386,200	480,280	618,000
Other.....	2,238		
11 Grants, subsidies, and contributions.....	58,181,594	57,959,400	65,727,000
Total obligations.....	59,695,778	59,600,000	67,600,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$59,600,000	\$59,600,000	\$67,600,000
Balance brought forward:			
Unobligated.....	95,778		
Obligated.....	19,979,539	9,837,791	9,437,791
Increase in prior year obligations.....	1,705		
Total budget authorizations available.....	79,677,022	69,437,791	77,037,791
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	69,650,679	50,700,000	56,700,000
Out of prior authorizations.....		9,300,000	9,200,000
Total expenditures.....	69,650,679	60,000,000	65,900,000
Balance no longer available (other than unobligated, expiring for obligation).....	188,552		
Obligated balance carried forward.....	9,837,791	9,437,791	11,137,791
Total expenditures and balances.....	79,677,022	69,437,791	77,037,791

## REIMBURSEMENTS TO COMMODITY CREDIT CORPORATION

## Reimbursements to Commodity Credit Corporation, Commodity Stabilization Service

To reimburse the Commodity Credit Corporation for authorized costs (including interest through June 30, 1956), as follows: (1) \$101,130,155 under the International Wheat Agreement Act of 1949, as amended (7 U. S. C. 1641-1642); (2) \$88,628,927 for commodities disposed of for emergency famine relief to friendly peoples pursuant to title II of the Act of July 10, 1954 (7 U. S. C. 1691-1694); (3) \$67,477,228 for the sale of surplus agricultural commodities for foreign currencies pursuant to title I of the Act of July 10, 1954 (7 U. S. C. 1691-1694); and (4) \$184,678 for the transfer of hay and pasture seeds to Federal land-administering agencies under the Act of July 26, 1954 (68 Stat. 529). (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

Estimate 1957, \$257,420,988

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. International Wheat Agreement.....		\$57,378,551	\$101,130,155
2. Emergency famine relief to friendly peoples.....		9,537,154	88,628,927
3. Sales of surplus agricultural commodities for foreign currencies.....			67,477,228
4. Transfer of hay and pasture seeds.....			184,678
Total obligations.....		66,915,705	257,420,988
<b>Financing:</b>			
Comparative transfers from other accounts.....		—66,915,705	
<b>Appropriation.....</b>			<b>257,420,988</b>

## PROGRAM AND PERFORMANCE

Pursuant to specific legislation, the funds and facilities of the Commodity Credit Corporation have been utilized to carry out programs outside of its regular functions but involving the disposition of surplus commodities. In the past the Corporation has been reimbursed for costs in connection with these programs under a separate appropriation for each program. In order to simplify the estimates and present an overall picture of these programs, the amounts required for 1957 have been consolidated into a single budget estimate.

1. *International Wheat Agreement.*—This agreement operates to provide an assured market for wheat to exporting countries and assured supplies of wheat to importing countries, at stable and equitable prices.



Capital funds of Commodity Credit Corporation are used to pay (a) the difference between the price specified in the agreement and the domestic market price of wheat, and (b) administrative and interest costs. The estimate, \$101,130,155 (including interest through June 30, 1956), provides for reimbursing the Commodity Credit Corporation for costs incurred in 1955 when 131,491,407 bushels of wheat and wheat flour were exported under the agreement.

The following table shows, by major cost elements, Commodity Credit Corporation costs of International Wheat Agreement program operations from its inception:

	Fiscal year 1952-55 (fiscal year 1950-53 operations)	Fiscal year 1956 (fiscal year 1954 operations)	Fiscal year 1957 (fiscal year 1955 operations)
Differential payments to commercial exporters.....	\$386,042,355	\$51,640,495	\$96,867,689
Due Commodity Credit Corporation for export of price support and supply stocks.....	161,300,660	4,504,056	1,806,818
Interest.....	12,921,425	1,234,000	2,455,648
Reimbursement by appropriation.....	76,808,000	57,378,551	101,130,155
Reimbursement by cancellation of notes.....	483,456,440		

It is estimated that 140 million bushels of wheat will be exported under this program during 1956 at a cost to the Corporation of \$87,183,225. Reimbursement to Commodity Credit Corporation for these costs will be requested in the 1958 budget.

The International Wheat Agreement of 1953 expires July 31, 1956. Therefore, operations and costs in 1957 are dependent upon the terms of any agreement which may be entered into to cover this program after that date.

2. *Emergency famine relief to friendly peoples.*—The act of August 7, 1953, directed the Commodity Credit Corporation to make its stocks of agricultural commodities available to the President through March 15, 1954, for emergency assistance to friendly peoples in meeting famine or other urgent relief requirements. The act also authorized the appropriation of funds to reimburse the Corporation for such commodities including handling and delivery costs. Operations under this act have been completed and the Commodity Credit Corporation reimbursed therefor.

Title II of Public Law 480, approved July 10, 1954, directs the Commodity Credit Corporation to continue a program of this nature through June 30, 1957, and similarly authorizes the appropriation of not more than \$300 million. The estimate, \$88,628,927, makes such reimbursement for operations during 1955 (including interest through June 30, 1956). The cost to the Corporation for operations in 1956 and 1957 is estimated at \$108,216,495 and \$103,126,463, respectively. Appropriations will be requested for reimbursement of such costs in subsequent fiscal years.

3. *Sales of surplus agricultural commodities for foreign currencies.*—Title I of Public Law 480 authorizes the sale of surplus agricultural commodities for foreign currencies. Foreign currencies received from such sales may be used by departments and agencies for specific purposes enumerated in the act. When an agency uses these funds, for one of the purposes for which it has appropriated funds, it pays in dollars, from appropriated funds, an amount equivalent to the value of the currency used. Such dollars are used to reimburse Commodity Credit Corporation. The act also authorizes appropriations of not to exceed \$1.5 billion to reimburse the Corporation for its unrecovered costs in carrying out this program. The estimate of \$67,477,228 covers costs of operations during 1955 (including interest through June 30, 1956) amounting to \$132,103,453 less \$64,626,225 representing the dollar equivalent of various foreign currencies re-

quired to be deposited for agricultural commodities exported as of June 30, 1955. The net cost of operations in fiscal year 1956 is estimated to be \$743,072,925 and in 1957, \$524,093,750 after application of estimated receipts of dollars for foreign currencies amounting to \$10 million and \$25 million during 1956 and 1957, respectively. Appropriations will be requested for reimbursement of such costs in subsequent years.

4. *Transfer of hay and pasture seeds.*—The act of July 26, 1954, provided for the transfer of hay and pasture seed acquired by the Commodity Credit Corporation under the price-support program to the Forest Service, and to the Fish and Wildlife Service and the Bureau of Land Management, Department of the Interior, and authorized the appropriation of funds to reimburse the Commodity Credit Corporation for its investment in the seeds transferred. The estimate covers reimbursement for operations during fiscal year 1955 in the amount of \$184,678 (including interest through June 30, 1956). No further activity is contemplated under this program.

Following is a summary of Commodity Credit Corporation expenses and receipts under these programs:

Commodity Credit Corporation expenses and receipts			
INTERNATIONAL WHEAT AGREEMENT			
	1955 program	1956 program	1957 program
Fiscal year 1955:			
Program expenses.....	\$98,674,507	-----	-----
Interest expenses.....	482,158	-----	-----
Total expenses, 1955.....	99,156,665	-----	-----
Fiscal year 1956:			
Program expenses.....	-----	\$84,235,000	-----
Interest expenses.....	1,973,490	842,350	-----
Total expenses, 1956.....	1,973,490	85,077,350	-----
Fiscal year 1957:			
Program expenses.....	-----	-----	-----
Interest expenses.....	-----	2,105,875	-----
Total expenses, 1957.....	-----	2,105,875	-----
Total expenses recoverable by appropriations in 1957 and 1958.....	101,130,155	87,183,225	-----
EMERGENCY FAMINE RELIEF TO FRIENDLY PEOPLES			
Fiscal year 1955:			
Program expenses.....	86,623,135	-----	-----
Interest expenses.....	273,329	-----	-----
Total expenses, 1955.....	86,896,464	-----	-----
Fiscal year 1956:			
Program expenses.....	-----	104,557,000	-----
Interest expenses.....	1,732,463	1,045,570	-----
Total expenses, 1956.....	1,732,463	105,602,570	-----
Fiscal year 1957:			
Program expenses.....	-----	-----	\$99,399,000
Interest expenses.....	-----	2,613,925	1,242,488
Total expenses, 1957.....	-----	2,613,925	100,641,488
Fiscal year 1958: Interest expenses.....	-----	-----	2,484,975
Total expenses recoverable by appropriations in 1957, 1958, and 1959.....	88,628,927	108,216,495	103,126,463
SALES OF SURPLUS AGRICULTURAL COMMODITIES FOR FOREIGN CURRENCIES			
Fiscal year 1955:			
Program expenses.....	129,164,632	-----	-----
Interest expenses.....	355,528	-----	-----
Total expenses, 1955.....	129,520,160	-----	-----
Fiscal year 1956:			
Program expenses.....	-----	727,896,547	-----
Interest expenses.....	2,583,293	7,228,965	-----
Sales of foreign currencies for dollars.....	-----	-10,000,000	-----
Net expenses, 1956.....	2,583,293	725,125,512	-----
Subtotal, fiscal years 1955 and 1956.....	132,103,453	725,125,512	-----
Deduct dollar equivalent of foreign currencies required to be deposited for commodities exported as of June 30, 1955.....	64,626,225	-----	-----
Appropriation, 1957.....	67,477,228	-----	-----

## CURRENT AUTHORIZATIONS—Continued

## COMMODITY STABILIZATION SERVICE—Continued

## REIMBURSEMENTS TO COMMODITY CREDIT CORPORATION—continued

## Reimbursements to Commodity Credit Corporation, Commodity Stabilization Service—Continued

Commodity Credit Corporation expenses and receipts—Continued

## SALES OF SURPLUS AGRICULTURAL COMMODITIES FOR FOREIGN CURRENCIES—continued

	1955 program	1956 program	1957 program
Fiscal year 1957:			
Program expenses.....			\$530,000,000
Interest expenses.....	\$1,615,000	\$17,947,413	6,468,750
Sales of foreign currencies for dollars.....			-25,000,000
Net expenses, 1957.....	1,615,000	17,947,413	511,468,750
Fiscal year 1958: Interest expenses.....			12,625,000
Net expenses recoverable by appropriations in subsequent years.....	1,615,000	743,072,925	524,093,750
TRANSFER OF HAY AND PASTURE SEEDS			
Fiscal year 1955:			
Program expenses.....	148,370		
Interest expenses.....	1,289		
Total expenses, 1955.....	149,659		
Fiscal year 1956:			
Program expenses.....	31,385		
Interest expenses.....	3,634		
Total expenses, 1956.....	35,019		
Total expenses, recoverable by appropriation in 1957.....	184,678		

<sup>1</sup> To the extent that these currencies are used by agencies for programs for which funds have not been appropriated, estimates of appropriations to repay Commodity Credit Corporation in subsequent fiscal years will be increased.

## OBLIGATIONS BY OBJECTS

- 11 Grants, subsidies, and contributions: Reimbursement to Commodity Credit Corporation—1956, \$66,915,705; 1957, \$257,420,988.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....			\$257,420,988
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....			257,420,988

## [INTERNATIONAL WHEAT AGREEMENT]

## International Wheat Agreement, Commodity Stabilization Service

【To discharge indebtedness of the Commodity Credit Corporation to the Secretary of the Treasury for the net costs during the fiscal year 1954 (including interest thereon through June 30, 1955) under the International Wheat Agreement Act of 1949, as amended (7 U. S. C. 1641-1642), \$57,378,551.】 (Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, \$57,378,551

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Financing:			
Comparative transfers to other accounts.....		\$57,378,551	
Appropriation.....		57,378,551	

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....		\$57,378,551	
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....		57,378,551	

## [REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR EMERGENCY FAMINE RELIEF TO FRIENDLY PEOPLES]

## Reimbursement to Commodity Credit Corporation for Emergency Famine Relief to Friendly Peoples, Commodity Stabilization Service

【To reimburse the Commodity Credit Corporation for its investment (including costs of handling, delivery, and interest through June 30, 1955) in commodities disposed of under the Act of August 7, 1953 (67 Stat. 476), \$9,545,830.】 (Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, \$9,545,830

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Financing:			
Comparative transfers to other accounts.....		\$9,537,154	
Unobligated balance no longer available.....		8,676	
Appropriation.....		9,545,830	

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....		\$9,545,830	
EXPENDITURES AND BALANCES			
Total expenditures (out of current authorizations).....		9,537,154	
Unobligated balance no longer available (expiring for obligation).....		8,676	
Total expenditures and balances.....		9,545,830	

## [REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR EMERGENCY FEED ASSISTANCE]

## Reimbursement to Commodity Credit Corporation for Emergency Feed Assistance, Commodity Stabilization Service

【To reimburse the Commodity Credit Corporation for losses representing the difference between the value of feed furnished farmers and stockmen in disaster areas and sales price received by the Corporation, \$42,100,000.】 (Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, \$42,100,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
Emergency feed assistance.....		\$41,915,799	
Financing:			
Unobligated balance no longer available.....		184,201	
Appropriation.....		42,100,000	

## PROGRAM AND PERFORMANCE

Supplementing the act of July 14, 1953 (12 U. S. C. 1148d), authorizing the use of Commodity Credit Corporation facilities and stocks for emergency feed and seed assistance, the President directed that the feed stocks of the Corporation be furnished without reimbursement from currently appropriated funds. This program has been completed and the Commodity Credit Corporation reimbursed therefor by appropriation contained in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.



## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....		\$42,100,000	
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures (out of current authorizations).....		41,915,799	
Unobligated balance no longer available (expiring for obligation).....		184,201	
Total expenditures and balances.....		42,100,000	

## [REIMBURSEMENT TO COMMODITY CREDIT CORPORATION FOR TRANSFER OF WHEAT TO PAKISTAN]

## Reimbursement to Commodity Credit Corporation for Transfer of Wheat to Pakistan, Commodity Stabilization Service

【To reimburse the Commodity Credit Corporation for its investment (including costs of handling, delivery, and interest through June 30, 1955) in wheat transferred to the Government of Pakistan under the Act of June 25, 1953 (67 Stat. 80), \$69,385,831.】 (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

Appropriated 1956, **\$69,385,831**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Transfer of wheat to Pakistan.....		\$69,322,990	
<b>Financing:</b>			
Unobligated balance no longer available.....		62,841	
Appropriation.....		69,385,831	

## PROGRAM AND PERFORMANCE

The act of June 25, 1953 (67 Stat. 80), provided for the transfer of price-support wheat to Pakistan and authorized the appropriation of funds to reimburse the Commodity Credit Corporation for its investment in the wheat, including handling and delivery costs. Operations under this program have been completed and the Commodity Credit Corporation reimbursed therefor by appropriation contained in the Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....		\$69,385,831	
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures (out of current authorizations).....		69,322,990	
Unobligated balance no longer available (expiring for obligation).....		62,841	
Total expenditures and balances.....		69,385,831	

## Miscellaneous

## Administration of Price Adjustment Act of 1938, Department of Agriculture

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Unobligated balance brought forward.....	\$6	\$1,140	
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures (out of prior authorizations).....	-1,131		
Unobligated balance no longer available (expiring for obligation).....		1,140	
Unobligated balance carried forward.....	1,140		
Total expenditures and balances.....	6	1,140	

## Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

- "School lunch program, Agricultural Marketing Service."
- "Removal of surplus agricultural commodities."
- "Disaster loans, etc., revolving fund, Department of Agriculture."
- "Maintenance and operations, Air Force."
- "Delegations, Federal Civil Defense Administration."
- "Mutual security, funds appropriated to the President."

## FEDERAL CROP INSURANCE CORPORATION

## Operating and Administrative Expenses, Federal Crop Insurance Corporation

For operating and administrative expenses, **[\$6,000,000]** \$6,210,000. (7 U. S. C. 1501-1519; 31 U. S. C. 841, 846-852, 866-868c, 869; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, **\$6,000,000** Estimate 1957, **\$6,210,000**

\* Excludes \$4,215 for activities transferred in the estimates to "Salaries and expenses, Office of the Secretary of Agriculture." The amounts obligated in 1955 and 1956 are shown in the schedule as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Underwriting and actuarial analysis.....	\$465,276	\$484,385	\$645,800
2. Contract sales and servicing.....	4,232,671	5,098,400	4,912,100
3. Crop inspections and loss adjustments.....	1,298,124	627,200	652,100
Total obligations.....	5,996,071	6,209,985	6,210,000
<b>Financing:</b>			
Comparative transfers to other accounts.....	2,302	4,215	
Unobligated balance no longer available.....	1,627		
Appropriation.....	6,000,000	6,000,000	6,210,000
Proposed supplemental due to pay increases.....		214,200	

## PROGRAM AND PERFORMANCE

This appropriation covers a portion of the administrative and operating expenses of the Corporation. The presentation of the budget for insurance operations and other costs which are financed from capital funds is in the section on revolving and management funds at the end of the Agriculture chapter.

## CURRENT AUTHORIZATIONS—Continued

## FEDERAL CROP INSURANCE CORPORATION—Con.

## Operating and Administrative Expenses, Federal Crop Insurance Corporation—Continued

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	599	543	543
Full-time equivalent of all other positions.....	234	81	81
Average number of all employees.....	708	605	605
Number of employees at end of year.....	1,229	784	784
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,251	\$4,600	\$4,666
Average grade.....	GS-5.5	GS-5.5	GS-5.6
01 Personal services:			
Permanent positions.....	\$2,138,299	\$2,462,585	\$2,459,543
Positions other than permanent.....	800,900	299,122	310,942
Regular pay above 52-week base.....	6,586	8,928	
Payment above basic rates.....	17,804		
Total personal services.....	2,963,589	2,770,635	2,770,485
02 Travel.....	767,199	554,600	554,600
03 Transportation of things.....	15,162	21,800	21,800
04 Communication services.....	147,002	160,400	160,400
05 Rents and utility services.....	111,347	124,600	124,600
06 Printing and reproduction.....	46,511	117,700	117,700
07 Other contractual services.....	24,066	29,685	29,685
Agent commissions.....	1,823,432	2,325,157	2,325,157
Services performed by other agencies.....	12,000	12,000	12,000
08 Supplies and materials.....	44,498	53,800	53,800
09 Equipment.....	18,629	25,000	25,000
13 Refunds, awards, and indemnities.....	550		
15 Taxes and assessments.....	22,086	14,608	14,773
Total obligations.....	5,996,071	6,209,985	6,210,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$6,000,000	\$6,000,000	\$6,210,000
Proposed supplemental due to pay increases.....		214,200	
Obligated balance brought forward.....	2,019,023	2,232,966	1,481,366
Total budget authorizations available.....	8,019,023	8,447,166	7,691,366
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	3,781,192	4,559,400	5,083,400
Out of anticipated supplemental appropriation.....		200,000	14,200
Out of prior authorizations.....	1,296,316	2,206,400	1,442,800
Total expenditures.....	5,077,508	6,965,800	6,540,400
Balance no longer available:			
Unobligated (expiring for obligation).....	1,627		
Other.....	706,922		
Obligated balance carried forward.....	2,232,966	1,481,366	1,150,966
Total expenditures and balances.....	8,019,023	8,447,166	7,691,366

## RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U. S. C. 901-924), as follows:

## LOAN AUTHORIZATIONS

## Loans, Rural Electrification Administration, Agriculture

For loans in accordance with said Act, and for carrying out the provisions of section 7 thereof, to be borrowed from the Secretary of the Treasury in accordance with the provisions of section 3 (a) of said Act as follows: Rural electrification program, **[\$160,000,000]** \$145,300,000; and rural telephone program, **[\$75,000,000]** \$49,500,000; and additional amounts, not to exceed **[\$100,000,000]** \$25,000,000 for the rural electrification program, may be borrowed under the same terms and conditions to the extent that such additional amounts are required during the fiscal year **[1956]** 1957, under the then existing conditions, for the expeditious and

orderly development of the program. (69 Stat. 131; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
1. Rural electrification.....	\$164,615,874	\$185,000,000	\$185,000,000
2. Rural telephone.....	52,744,000	80,000,000	80,000,000
Total obligations.....	217,359,874	265,000,000	265,000,000
Financing:			
Unobligated balance of authorization to expend from public debt receipts brought forward.....	-55,154,366	-89,279,607	-64,779,607
Recovery of prior year obligations.....	-6,485,115	-5,500,000	-5,500,000
Unobligated balance of authorization to expend from public debt receipts carried forward.....	89,279,607	64,779,607	79,607
Authorization to expend from public debt receipts.....	245,000,000	235,000,000	194,800,000

## PROGRAM AND PERFORMANCE

The Administration conducts two major programs: (a) The rural electrification program, to provide electric service to farms and other rural establishments; and (b) the rural telephone program, to furnish and improve telephone service in rural areas.

It is expected that electrification and telephone loans will continue at about the same level in 1957.

1. *Rural electrification.*—To provide electric service in rural areas, loans are made at 2 percent interest which must be repaid within 35 years. Loans are also made for shorter periods at 2 percent interest to electrification borrowers to be reloaned to their consumers for wiring and for the installation of electrical and plumbing appliances and equipment. Funds for making loans are borrowed from the Secretary of the Treasury.

When the rural electrification program was initiated in 1935, less than 11 percent of all farms had electric service. On June 30, 1955, about 93 percent of the farms were electrified.

## PROGRESS AND STATUS OF THE ELECTRIFICATION PROGRAM

Item	1955 actual	1956 estimate	1957 estimate
Total loans, cumulative (since 1935) net.....	\$3,047,204,858	\$3,227,704,858	\$3,408,204,858
Annual loans.....	\$104,015,875	\$185,000,000	\$185,000,000
Rescissions during year of prior loans.....	\$3,343,115	\$4,500,000	\$4,500,000
Amount of principal repaid, cumulative.....	\$413,277,119	\$489,977,119	\$573,057,119
Amount of interest paid, cumulative.....	\$209,336,270	\$243,716,270	\$281,111,270
Miles energized, cumulative.....	1,348,069	1,383,000	1,418,000
Miles energized, annual.....	32,439	35,000	35,000
Consumers served, cumulative.....	4,187,825	4,313,000	4,438,000
Consumers served, annual.....	133,602	125,000	125,000
Number of borrowers.....	1,077	1,078	1,079

2. *Rural telephone.*—Loans are made for the purpose of financing the improvement, expansion, construction, acquisition, and operation of the telephone systems in rural areas. The loans bear 2 percent interest and must be repaid within 35 years. Funds for making loans are borrowed from the Secretary of the Treasury.

The 1950 census showed 38.2 percent of all farms with telephone, fewer in both number and percentage than in 1920. Cumulative Rural Electrification Administration loans through June 30, 1955, will provide initial or improved service to an estimated 516,000 rural subscribers.



## PROGRESS AND STATUS OF THE TELEPHONE PROGRAM

Item	1955 actual	1956 estimate	1957 estimate
Total loans (since 1950), cumulative, net...	\$234, 180, 542	\$313, 180, 542	\$392, 180, 542
Loans, annual.....	\$52, 744, 000	\$80, 000, 000	\$80, 000, 000
Rescissions during year of prior loans.....	\$3, 142, 000	\$1, 000, 000	\$1, 000, 000
Loan estimate:			
Miles of pole line to be improved, cumulative.....	12, 106	16, 000	21, 000
Miles of pole line to be improved, annual.....	4, 008	4, 000	5, 000
Miles of pole line to be constructed, cumulative.....	145, 645	184, 000	223, 000
Miles of pole line to be constructed, annual.....	28, 167	38, 000	39, 000
Subscribers, service to be improved, cumulative.....	246, 739	310, 000	376, 000
Subscribers, service to be improved, annual.....	55, 727	63, 000	66, 000
New subscribers to be connected, cumulative.....	268, 944	332, 000	398, 000
New subscribers to be connected, annual.....	49, 299	63, 000	66, 000
Number of borrowers.....	351	500	635
Construction:			
Miles of pole line improved, cumulative.....	2, 229	3, 200	4, 700
Miles of pole line improved, annual.....	731	1, 000	1, 500
Miles of new pole line constructed, cumulative.....	43, 269	65, 000	91, 300
Miles of new pole line constructed, annual.....	18, 226	22, 000	26, 000
Subscribers, service improved, cumulative.....	66, 000	100, 000	142, 000
Subscribers, service improved, annual.....	28, 000	34, 000	42, 000
New subscribers connected, cumulative.....	82, 000	117, 000	158, 000
New subscribers connected, annual.....	35, 000	35, 000	41, 000
Borrowers with all or part of systems cutover.....	158	230	310

## OBLIGATIONS BY OBJECTS

16 Investments and loans—1955, \$217,359,874; 1956, \$265,000,000; 1957, \$265,000,000.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Authorization to expend from public debt receipts.....	\$245, 000, 000	\$235, 000, 000	\$194, 800, 000
Balance of authorization to expend from public debt receipts brought forward: Unobligated.....	55, 154, 366	89, 279, 607	64, 779, 607
Obligated.....	566, 654, 160	580, 999, 997	625, 499, 997
Total budget authorizations available.....	866, 808, 526	905, 279, 604	885, 079, 604
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations to expend from public debt receipts.....	196, 528, 922	15, 000, 000	15, 000, 000
Out of prior authorizations to expend from public debt receipts.....		200, 000, 000	215, 000, 000
Total expenditures.....	196, 528, 922	215, 000, 000	230, 000, 000
Balance of authorization to expend from public debt receipts carried forward: Unobligated.....	89, 279, 607	64, 779, 607	79, 607
Obligated.....	580, 999, 997	625, 499, 997	654, 999, 997
Total expenditures and balances.....	866, 808, 526	905, 279, 604	885, 079, 604

## SALARIES AND EXPENSES

## Salaries and Expenses, Rural Electrification Administration

For administrative expenses, including not to exceed \$500 for financial and credit reports, and not to exceed \$150,000 for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), **[\$7,680,000]** \$8,700,000. (5 U. S. C. 511–512; 7 U. S. C. 901–924; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, **\$7,680,000** Estimate 1957, **\$8,700,000**

\* Excludes \$4,215 for activities transferred in the estimates to "Salaries and expenses, Office of the Secretary of Agriculture." The amounts obligated in 1955 and 1956 are shown in the schedule as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Administration of rural electrification program.....	\$4, 244, 406	\$4, 473, 785	\$4, 529, 000
2. Administration of rural telephone program.....	3, 134, 992	3, 663, 500	4, 171, 000
Total obligations.....	7, 379, 398	8, 137, 285	8, 700, 000

## PROGRAM AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
<b>Financing:</b>			
Comparative transfers to other accounts.....	\$4, 000	\$4, 215	-----
Unobligated balance no longer available.....	92	-----	-----
<b>Appropriation (adjusted).....</b>	<b>7, 383, 490</b>	<b>7, 680, 000</b>	<b>\$8, 700, 00</b>
Proposed supplemental due to pay increases.....	-----	461, 500	-----

## PROGRAM AND PERFORMANCE

Borrowers are encouraged to develop their systems on an area coverage basis to make central station electric and economical telephone service available to all farms. Loan applications are studied to assure that the project is self-liquidating and will adequately meet the needs of the rural consumers.

When applications are received from existing companies, the quality of business management is appraised. Business management consultation is furnished where needed to protect the Government's loan security, and new borrowers are given technical help in establishing the necessary accounting systems to meet requirements of regulatory bodies. The borrowers are required to have their records audited by public accounting firms and, as accounting and other financial management problems affecting loan security are revealed by the audit, the administration works with borrowers toward improvement of their operations. Standards are developed for the design and construction of facilities at minimum cost; engineering studies are carried on to solve complex technical problems; and engineering review of designs and physical facilities is provided to assure that construction conforms to approved standards and is adequate to provide continuous and reliable service.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	1, 022	1, 056	1, 152
Full-time equivalent of all other positions.....	5	4	5
Average number of all employees.....	987	1, 028	1, 099
Number of employees at end of year.....	997	1, 047	1, 147
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5, 892	\$6, 358	\$6, 354
Average grade.....	GS-9.0	GS-9.0	GS-9.1
01 Personal services:			
Permanent positions.....	\$5, 927, 464	\$6, 531, 545	\$6, 976, 390
Positions other than permanent.....	51, 660	47, 965	63, 175
Regular pay above 52-week base.....	22, 439	24, 910	-----
Payment above basic rates.....	6, 464	7, 300	7, 355
Total personal services.....	6, 008, 027	6, 611, 720	7, 046, 920
02 Travel.....	896, 895	1, 035, 310	1, 131, 080
03 Transportation of things.....	23, 308	25, 100	31, 650
04 Communication services.....	121, 110	124, 770	129, 395
05 Rents and utility services.....	27, 561	28, 300	28, 300
06 Printing and reproduction.....	98, 462	88, 000	88, 000
07 Other contractual services.....	27, 717	47, 645	48, 690
Services performed by other agencies.....	87, 996	84, 300	97, 800
08 Supplies and materials.....	38, 250	41, 075	43, 315
09 Equipment.....	43, 508	44, 500	48, 050
15 Taxes and assessments.....	6, 564	6, 565	6, 800
Total obligations.....	7, 379, 398	8, 137, 285	8, 700, 000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATION AVAILABLE</b>			
Appropriation.....	\$7, 285, 000	\$7, 680, 000	\$8, 700, 000
Transferred from "Agricultural adjustment programs, Commodity Stabilization Service" (69 Stat. 240).....	98, 490	-----	-----
Adjusted appropriation.....	7, 383, 490	7, 680, 000	8, 700, 000
Proposed supplemental due to pay increases.....	-----	461, 500	-----
Obligated balance brought forward.....	632, 083	479, 024	510, 924
Increase in prior year obligations.....	2, 523	-----	-----
Total budget authorizations available.....	8, 018, 096	8, 620, 524	9, 210, 924



## CURRENT AUTHORIZATIONS—Continued

RURAL ELECTRIFICATION ADMINISTRATION—  
Continued

## SALARIES AND EXPENSES—continued

## Salaries and Expenses, Rural Electrification Administration—Con.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations	\$6,904,471	\$7,187,296	\$8,150,100
Out of anticipated supplemental appropriation		443,280	18,220
Out of prior authorizations	587,804	479,024	492,704
Total expenditures	7,492,275	8,109,600	8,661,024
Balance no longer available:			
Unobligated (expiring for obligation)	92		
Other	46,705		
Obligated balance carried forward	479,024	510,924	549,900
Total expenditures and balances	8,018,096	8,620,524	9,210,924

## FARMERS' HOME ADMINISTRATION

To carry into effect the provisions of titles I, II, and the related provisions of title IV of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1000-1031); the Farmers' Home Administration Act of 1946 (7 U. S. C. 1001, note; 31 U. S. C. 82h; 12 U. S. C. 371; 35 D. C. Code 535; 60 Stat. 1062-1080); the Act of July 30, 1946 (40 U. S. C. 436-439); the Act of August 28, 1937, as amended (16 U. S. C. 590r-590x-3), for the development of facilities for water storage and utilization in the arid and semiarid areas of the United States; the provisions of title V of the Housing Act of 1949 [(42 U. S. C. 1471-1483)], as amended [by the Housing Act of 1952 (Public Law 531, approved July 14, 1952)] (42 U. S. C. 1471-1483), relating to financial assistance for farm housing; the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U. S. C. 440-444); the items "Loans to farmers, 1948 flood damage" in the Act of June 25, 1948 (62 Stat. 1038), and "Loans to farmers, property damage" in the Act of May 24, 1949 (63 Stat. 82); the collecting and servicing of credit sales and development accounts in water conservation and utilization projects (53 Stat. 685, 719), as amended and supplemented (16 U. S. C. 590y, z1 and z10); and the Act to direct the Secretary of Agriculture to convey certain mineral interests, approved September 6, 1950 (7 U. S. C. 1033-1039), as follows:

## LOAN AUTHORIZATIONS

## Loans, Farmers' Home Administration

For loans (including payments in lieu of taxes and taxes under section 50 of the Bankhead-Jones Farm Tenant Act, as amended, and advances incident to the acquisition and preservation of security of obligations under the foregoing several authorities): Title I and section 43 of title IV of the Bankhead-Jones Farm Tenant Act, as amended, \$19,000,000, of which not to exceed \$5,000,000 may be distributed to States and Territories without regard to farm population and prevalence of tenancy, in addition to the amount otherwise distributed thereto, for loans in reclamation projects and to entrymen on unpatented public land; title II of the Bankhead-Jones Farm Tenant Act, as amended, [\$122,500,000] \$140,000,000; the Act of August 28, 1937, as amended, [\$11,500,000] \$5,500,000: *Provided*, That not to exceed the foregoing several amounts shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.

[For an additional amount for "Loan authorizations", for loans under title II of the Bankhead-Jones Farm Tenant Act, as amended, \$15,000,000: *Provided*, That not to exceed the foregoing amount shall be borrowed in one account from the Secretary of the Treasury in accordance with the provisions set forth under this head in the Department of Agriculture Appropriation Act, 1952.] (69 Stat. 553; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956; Supplemental Appropriation Act, 1956.)

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Farm ownership loans	\$18,999,200	\$19,000,000	\$19,000,000
2. Farm housing loans	37,385	92,183	
3. Production and subsistence loans	122,499,948	137,500,000	140,000,000
4. Soil and water conservation loans	4,021,727	5,500,000	5,500,000
Total obligations	145,558,260	162,092,183	164,500,000
<b>Financing:</b>			
Unobligated balance of authorization to expend from public debt receipts brought forward	-61,227	-92,183	
Recovery of prior year obligations	-68,341		
Unobligated balance of authorization to expend from public debt receipts carried forward	92,183		
Unobligated balance no longer available	7,479,125	6,000,000	
Authorization to expend from public debt receipts	153,000,000	168,000,000	164,500,000

## PROGRAM AND PERFORMANCE

For the benefit of farmers unable to secure credit from other sources at reasonable rates, the Administration makes (a) direct loans and insured loans for the purchase, enlargement, or development of family-size farms; (b) direct loans for farm housing; (c) direct loans for farm operating expenses; and (d) direct loans and insured loans for water facilities and soil conservation purposes.

The total borrowing authorization requested for loans amounts to \$164.5 million representing a net decrease of \$3.5 million below the current year's authorization. This change consists of a decrease of \$6 million for soil and water conservation loans and an increase of \$2.5 million for production and subsistence loans.

1. *Farm ownership loans.*—Direct farm ownership loans are made to tenants, sharecroppers, farm laborers, owners of inadequate farms, and eligible veterans for the purchase or improvement, including farm housing and other building construction, of family-type farms. These may be made up to the full normal value of the farm at 4½ percent interest up to 40 years. Loans for the same purposes are also made with funds advanced by private lenders. These loans are insured by the Government and are made in amounts up to 90 percent of the normal farm value up to 40 years at 3½ percent interest, plus one-half of 1 percent as an insurance premium and one-half of 1 percent as an administrative expense charge. The Administration services these insured loans, makes collections, and pays the lender.

## FARM OWNERSHIP LOANS

Type	1955 actual		1956 estimate		1957 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications	52,880		55,560		56,000	
Direct loans	1,966	\$18,999,200	1,980	\$19,000,000	1,980	\$19,000,000
Insured loans	2,969	\$1,933,200	5,050	\$5,000,000	5,050	\$5,000,000

2. *Farm housing loans.*—The amounts for 1955 and 1956 represent the use of balances of prior year loan authorizations. It is proposed to submit a supplemental estimate of \$5 million for loans in 1956 to assist those applicants not eligible for farm ownership loans.

3. *Production and subsistence loans.*—Loans are made for periods up to 7 years at 5 percent interest to provide reasonable farm and home credit for the purchase of livestock, feed, seed, farm equipment and other farm necessities.



## PRODUCTION AND SUBSISTENCE LOANS

	1955 actual		1956 estimate		1957 estimate	
	Number	Amount	Number	Amount	Number	Amount
Applications.....	102,476		110,000		110,000	
Loans.....	64,641	\$122,499,948	71,710	\$137,500,000	72,560	\$140,000,000

4. *Soil and water conservation loans.*—For the effective development and utilization of water supplies and for the improvement of farmland by soil and water conserving facilities and practices, direct and insured loans are made to farmers and associations at 4½ percent interest for direct loans and 3½ percent interest for insured loans, plus one-half of 1 percent as an insurance premium and one-half of 1 percent as an administrative expense charge, up to 20 years for individuals and 40 years for associations.

## SOIL AND WATER CONSERVATION LOANS

Type	1955 actual		1956 estimate		1957 estimate	
	Number	Amount	Number	Amount	Number	Amount
Number of applications.....	12,410		18,440		18,440	
Direct loans:						
To individuals.....	705	\$2,566,717	1,185	\$4,000,000	1,185	\$4,000,000
To groups.....	39	1,455,010	35	1,500,000	35	1,500,000
Insured loans:						
To individuals.....	2,916	15,170,729	6,120	23,000,000	6,120	23,000,000
To groups.....	14	298,650	40	2,000,000	40	2,000,000

A supplemental appropriation of \$15 million under proposed legislation will be transmitted later to provide for loans in 1957 to part-time and low-income farmers.

*Collections.*—Collections of principal and interest during 1955 exceeded the amount of new loans made by more than 10 percent.

## COLLECTIONS OF PRINCIPAL AND INTEREST

	1955 actual	1956 estimate	1957 estimate
Direct farm ownership loans.....	\$22,129,865	\$22,750,000	\$23,030,000
Farm housing loans.....	10,072,433	9,500,000	8,400,000
Production and subsistence loans.....	125,762,148	128,731,000	131,123,000
Soil and water conservation loans.....	3,679,747	3,860,000	4,940,000
Total.....	161,644,193	164,841,000	167,493,000

## OBLIGATIONS BY OBJECTS

16 Investments and loans—1955, \$145,558,260; 1956, \$162,092,183; 1957, \$164,500,000.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Authorization to expend from public debt receipts.....	\$153,000,000	\$168,000,000	\$164,500,000
Balance of authorization to expend from public debt receipts brought forward:			
Unobligated.....	61,227	92,183	
Obligated.....	2,874,030	2,647,932	4,600,115
Total budget authorizations available.....	155,935,257	170,740,115	169,100,115
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations to expend from public debt receipts.....	145,420,492	157,593,000	162,800,000
Out of prior authorizations to expend from public debt receipts.....		2,547,000	2,500,000
Total expenditures.....	145,420,492	160,140,000	165,300,000
Balance no longer available:			
Unobligated (expiring for obligation).....	7,479,125	6,000,000	
Other.....	295,525		
Balance of authorization to expend from public debt receipts carried forward:			
Unobligated.....	92,183		
Obligated.....	2,647,932	4,600,115	3,800,115
Total expenditures and balances.....	155,935,257	170,740,115	169,100,115

## SALARIES AND EXPENSES

## Salaries and Expenses, Farmers' Home Administration

For making, servicing, and collecting loans and insured mortgages, the servicing and collecting of loans made under prior authority, the liquidation of assets transferred to Farmers' Home Administration, and other administrative expenses, [\$24,500,000] \$26,405,000, together with a transfer of not to exceed [\$450,000] \$550,000 of the fees and administrative expense charges made available by subsections (d) and (e) of section 12 of the Bankhead-Jones Farm Tenant Act, as amended (7 U. S. C. 1005 (b)), and section 10 (c) of the Act of August 28, 1937, as amended. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

Appropriated 1956,<sup>a</sup> \$24,850,000

Estimate 1957,<sup>b</sup> \$26,405,000

<sup>a</sup> Includes \$350,000 appropriated in Supplemental Appropriation Act, 1956.

<sup>b</sup> Excludes \$10,520 for activities transferred in the estimates to "Salaries and expenses, Office of the Secretary of Agriculture." The amounts obligated in 1955 and 1956 are shown in the schedule as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Administration of direct and insured loan programs (total obligations).....	\$24,194,503	\$26,729,480	\$26,930,000
<b>Financing:</b>			
Comparative transfers to other accounts.....	10,020	10,520	
Advanced from other accounts.....	—310,000	—420,000	—525,000
Unobligated balance no longer available.....	25,477		
Appropriation (adjusted).....	23,920,000	24,850,000	26,405,000
Proposed supplemental due to pay increases.....		1,470,000	

## PROGRAM AND PERFORMANCE

County supervisors assisted by area supervisors, and in a few of the larger workload States by appraisers and engineers working on a statewide basis, review loan applications, secure the approval of the county committee, and make loans within specified limits. Loans above such limits are approved by State office representatives. County office personnel collect and service outstanding loans.

Supplemental appropriations for later transmission appear at the end of this chapter to cover administrative costs for (a) farm-housing loans in 1956, and (b) loans to part-time and low-income farmers in 1957.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	4,383	4,665	4,688
Full-time equivalent of all other positions.....	380	441	435
Average number of all employees.....	4,640	4,965	5,003
Number of employees at end of year.....	9,478	9,550	9,550
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,355	\$4,655	\$4,679
Average grade.....	GS-5.6	GS-5.7	GS-5.7
01 Personal services:			
Permanent positions.....	\$19,020,546	\$21,182,280	\$21,479,800
Positions other than permanent.....	621,019	670,000	640,000
Regular pay above 52-week base.....	77,778	83,000	
Payment above basic rates.....	182,406	142,000	140,000
Other payments for personal services.....	2,237	2,400	
Total personal services.....	19,903,986	22,079,680	22,259,800
02 Travel.....	2,333,389	2,660,000	2,679,000
03 Transportation of things.....	146,256	130,200	130,000
04 Communication services.....	539,894	536,000	540,000
05 Rents and utility services.....	602,560	691,000	694,000
06 Printing and reproduction.....	192,132	148,400	140,000
07 Other contractual services.....	154,797	177,200	178,900
Services performed by other agencies.....	24,375	27,800	28,100

## CURRENT AUTHORIZATIONS—Continued

## FARMERS' HOME ADMINISTRATION—Continued

## SALARIES AND EXPENSES—continued

## Salaries and Expenses, Farmers' Home Administration—Continued

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
08 Supplies and materials	\$142,826	\$136,000	\$138,000
09 Equipment	122,974	111,000	110,000
13 Refunds, awards, and indemnities	72	200	200
Awards for employee suggestions	3,068	8,000	8,000
15 Taxes and assessments	28,174	24,000	24,000
Total obligations	24,194,503	26,729,480	26,930,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation	\$23,550,000	\$24,850,000	\$26,405,000
Transferred (69 Stat. 240) from—			
"Payments to States, Hawaii, Alaska, and Puerto Rico, Extension Service"	200,000		
"Agricultural adjustment programs, Commodity Stabilization Service"	170,000		
Adjusted appropriation	23,920,000	24,850,000	26,405,000
Proposed supplemental due to pay increases		1,470,000	
Obligated balance brought forward	1,962,654	1,644,204	1,383,684
Total budget authorizations available	25,882,654	27,964,204	27,788,684
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations	22,250,921	23,526,520	25,017,000
Out of anticipated supplemental appropriation		1,410,000	60,000
Out of prior authorizations	1,884,131	1,644,000	1,323,000
Total expenditures	24,135,052	26,580,520	26,400,000
Balance no longer available:			
Unobligated (expiring for obligation)	25,477		
Other	77,921		
Obligated balance carried forward	1,644,204	1,383,684	1,388,684
Total expenditures and balances	25,882,654	27,964,204	27,788,684

## Miscellaneous

## Grants, Farm Housing, Farmers' Home Administration, Agriculture

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Unobligated balance brought forward	\$500		
<b>EXPENDITURES AND BALANCES</b>			
Unobligated balance transferred to "Foot-and-mouth and other contagious diseases of animals and poultry, Agricultural Research Service" (21 U. S. C. 129)	\$500		

## Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:  
 "Disaster loans, etc., revolving fund, Department of Agriculture."  
 "Mutual security, funds appropriated to the President."

## OFFICE OF THE GENERAL COUNSEL

## Salaries and Expenses, Office of the General Counsel, Agriculture

For necessary expenses, including payment of fees or dues for the use of law libraries by attorneys in the field service, **[\$2,100,000] \$2,335,000**, together with such amounts from other appropriations or authorizations as are provided in the schedules in the budget for the current fiscal year for such expenses, which several amounts not exceeding a total of **[\$375,000] \$427,700** shall be transferred to and made a part of this appropriation. (5 U. S. C. 511–512, 518; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, a **\$2,140,000**Estimate 1957, **\$2,335,000**

\* Includes \$40,000 appropriated in Supplemental Appropriation Act, 1956.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Agricultural credit and conservation	\$1,189,034	\$1,368,000	\$1,411,600
2. Commodity credit, production, and adjustment programs	625,095	688,000	714,700
3. Marketing and regulatory laws	341,441	395,000	395,000
4. Agricultural research and staff legal services	225,764	241,400	241,400
Total obligations	2,381,334	2,692,400	2,762,700
<b>Financing:</b>			
Comparative transfers to other accounts	36,784		
Advances from other accounts	—306,400	—401,000	—427,700
Unobligated balance no longer available	9,282		
Appropriated (adjusted)	2,121,000	2,140,000	2,335,000
Proposed supplemental due to pay increases		151,400	

## PROGRAM AND PERFORMANCE

The Office performs all legal work arising from the activities of the Department and represents the Department in proceedings in connection with the administration of regulatory laws of the Department. The Office assists the Department of Justice by preparing briefs for and participating in the trial of cases in court.

1. *Agricultural credit and conservation.*—Legal services are provided the Farmers Home Administration for its various loan programs, for the electrification and telephone loan programs of the Rural Electrification Administration, and for the Forest Service and Soil Conservation Service. This work includes the review and legal approval of loan and security documents; review and legal approval of borrowers' contracts, titles, easements, franchises, and rights-of-way. It involves participation in litigation before State regulatory bodies and in the courts; legal and abstracting services in connection with the acquisition and exchange of lands; operation and management of the national forests, soil conservation districts, and other public lands; and flood prevention.

A supplemental appropriation of \$38,500 will be required for 1957 to meet costs of legal work occasioned by a proposed program to aid part-time and low-income farmers.

2. *Commodity credit, production, and adjustment programs.*—Legal services are provided for price support activities, domestic and foreign procurement, disposal of agricultural surpluses, national school-lunch program, agricultural conservation, farm-marketing quotas crop insurance, sugar programs, claims settlement and adjustment,



international trade in commodity agreements and import restrictions. The general counsel serves both the Commodity Credit Corporation and the Federal Crop Insurance Corporation.

3. *Marketing and regulatory laws.*—Legal services are furnished in connection with the administration and enforcement of quarantine acts and legal provisions relating to the marketing and distribution of agricultural commodities.

4. *Agricultural research and staff legal services.*—Legal services are provided for the Department as a whole in connection with administrative operations, activities of the staff agencies, the Agricultural Research Service, Farmer Cooperative Service, crop reporting and agriculture statistics, contract research and patents.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	427	460	474
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	366	405	417
Number of employees at end of year.....	376	430	442
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,716	\$6,051	\$6,074
Average grade.....	GS-8.0	GS-8.0	GS-8.0
01 Personal services:			
Permanent positions.....	\$2,172,091	\$2,451,432	\$2,524,350
Positions other than permanent.....	6,804	6,800	6,800
Regular pay above 52-week base.....	8,310	9,468	-----
Payments above basic rates.....	3,380	3,500	3,500
Total personal services.....	2,190,585	2,471,200	2,534,650
02 Travel.....	69,127	77,000	81,500
03 Transportation of things.....	3,166	4,000	4,000
04 Communication services.....	30,667	33,000	33,400
05 Rents and utility services.....	2,760	13,500	13,000
06 Printing and reproduction.....	19,727	21,000	21,000
07 Other contractual services.....	13,313	14,000	14,500
Services performed by other agencies.....	8,909	10,000	10,000
08 Supplies and materials.....	19,894	22,000	22,350
09 Equipment.....	20,878	25,000	26,400
13 Refunds, awards, and indemnities.....	-----	200	200
15 Taxes and assessments.....	2,308	1,500	1,700
Total obligations.....	2,381,334	2,692,400	2,762,706

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$2,075,000	\$2,140,000	\$2,335,000
Transferred from—			
“Watershed protection, Soil Conservation Service” (68 Stat. 812).....	40,000	-----	-----
“Salaries and expenses, Foreign Agricultural Service” (69 Stat. 240).....	6,000	-----	-----
Adjusted appropriation.....	2,121,000	2,140,000	2,335,000
Proposed supplemental due to pay increases.....	-----	151,400	-----
Obligated balance brought forward.....	189,020	151,560	193,600
Total budget authorizations available.....	2,310,020	2,442,960	2,528,600
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	1,960,367	1,951,612	2,060,237
Out of anticipated supplemental appropriation.....	-----	145,637	5,763
Out of prior authorizations.....	187,479	150,751	187,000
Total expenditures.....	2,147,846	2,248,000	2,253,000
Balances no longer available:			
Unobligated (expiring for obligation).....	9,282	-----	-----
Other.....	1,332	1,360	-----
Obligated balance carried forward.....	151,560	193,600	275,600
Total expenditures and balances.....	2,310,020	2,442,960	2,528,600

## Allotments Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments from other appropriations are shown in the schedule of the parent appropriation, as follows: “Disaster loans, etc., revolving fund, Department of Agriculture.”

## OFFICE OF THE SECRETARY

## Salaries and Expenses, Office of the Secretary of Agriculture

For expenses of the Office of the Secretary of Agriculture, including the purchase of one passenger motor vehicle for replacement only; expenses of the National Agricultural Advisory Commission; stationery, supplies, materials, and equipment; freight, express, and drayage charges; advertising of bids, communication service, postage, washing towels, repairs and alterations, uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131), and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture; [\$2,144,300] \$2,397,000, together with such amounts from other appropriations or authorizations as are provided in the schedules in the budget for the current fiscal year for such services and expenses, which several amounts or portions thereof, as may be determined by the Secretary, not exceeding a total of [\$84,280] \$113,500, shall be transferred to and made a part of this appropriation. (5 U. S. C. 511–517, secs. 511–512—establishing the Department of Agriculture, which was implemented by the Act of July 24, 1919 (5 U. S. C. 563–564), apply to all appropriation items of the Department which are not based upon specific legislative authority either incorporated in the language of the item or cited immediately thereunder; 5 U. S. C. 520a, 542–1, 543b, 1001, 2131; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, \$2,144,300

Estimate 1957, “\$2,397,000

Includes \$93,945 for activities previously carried under the following appropriations: “Salaries and expenses, Agricultural Research Service”.....\$22,845  
“Salaries and expenses, Forest Service”.....9,950  
“Forest roads and trails, Forest Service”.....2,165  
“Conservation operations, Soil Conservation Service”.....7,255  
“Watershed protection, Soil Conservation Service”.....5,935  
“Marketing research and service, Agricultural Marketing Service”.....21,860  
“School lunch program, Agricultural Marketing Service”.....985  
“Removal of surplus agricultural commodities”.....2,000  
“Salaries and expenses, Foreign Agricultural Service”.....2,000  
“Operating and administrative expenses, Federal Crop Insurance Corporation”.....4,215  
“Salaries and expenses, Rural Electrification Administration”.....4,215  
“Salaries and expenses, Farmers’ Home Administration”.....10,520  
The amounts obligated in 1955 and 1956 are shown in the schedule as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
1. General administration.....	\$479,928	\$516,098	\$536,093
2. Personnel administration and service.....	554,582	610,169	633,014
3. Budgetary and financial administration and service.....	680,841	730,998	730,998
4. General operations.....	434,628	455,975	455,975
5. Regulatory hearings and decisions.....	136,065	142,920	142,920
6. National Agricultural Advisory Commission.....	9,687	11,500	11,500
Total obligations.....	2,295,731	2,467,660	2,510,500
Financing:			
Comparative transfers from other accounts.....	—121,390	—94,160	-----
Advances and reimbursements from other accounts.....	—86,100	—90,500	—113,500
Unobligated balance no longer available.....	6,279	-----	-----
Appropriation (adjusted).....	2,094,520	2,144,300	2,397,000
Proposed supplemental due to pay increases.....	-----	138,700	-----

## PROGRAM AND PERFORMANCE

The Office provides the overall planning, coordination, and administration of the Department’s programs, and also supplies certain services on a departmentwide basis. In addition to general administration by the Secretary, the Under Secretary, the Assistant Secretaries, and their staffs, activities are:

2. *Personnel administration and service.*—Departmentwide supervision, leadership, and coordination are provided for the personnel management program. Departmental policies and procedures are promulgated. Authority for carrying out the operational phases of the personnel management program have been substantially delegated to the agencies. A systematic and periodic review is conducted to insure unification of the personnel



## CURRENT AUTHORIZATIONS—Continued

## OFFICE OF THE SECRETARY—Continued

Salaries and Expenses, Office of the Secretary of Agriculture—Continued. management program and to measure its effectiveness and how well it serves the agencies' personnel management requirements.

3. *Budgetary and financial administration and service.*—Departmentwide supervision, leadership, and coordination are provided in the fields of budgetary, fiscal, property, and supply management, and in related activities of the Department. Departmental policies and procedures are formulated and promulgated, programs and legislative proposals are reviewed and evaluated for budgetary, financial, and related implications; and improvements are fostered in the management and operation of work programs administered by the Department.

4. *General operations.*—Departmentwide supervision, leadership, and coordination are provided in the fields of real property and records management; departmental policies and procedures therefor are formulated and promulgated; administrative services and budgetary functions for the Office of the Secretary, departmental service operations in the District of Columbia, including the Department's post office, telephone switchboard, telegraph office, reproduction and supply services, and motor transport service are provided.

5. *Regulatory hearings and decisions.*—The hearing examiners hold hearings in connection with the prescribing of new regulations and orders and on disciplinary complaints filed by the Department or on petitions filed by private parties asking relief from some action of the Department. Final administrative decisions in regulatory proceedings are rendered by the judicial officer. "Agriculture Decisions" is published monthly.

6. *National Agricultural Advisory Commission.*—Provision is made for the payment of necessary expenses incident to periodic meetings of the National Agricultural Advisory Commission.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	337	347	352
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	324	342	347
Number of employees at end of year.....	314	332	337
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,912	\$6,341	\$6,376
Average grade.....	GS-8.3	GS-8.3	GS-8.3
01 Personal services:			
Permanent positions.....	\$2,002,753	\$2,201,677	\$2,243,641
Positions other than permanent.....	4,908	5,000	5,000
Regular pay above 52-week base.....	7,379	8,509	-----
Payment above basic rates.....	5,421	5,500	5,500
Other payments for personal services.....	1,359	-----	-----
Total personal services.....	2,021,820	2,220,686	2,254,141
02 Travel.....	107,592	128,091	136,106
03 Transportation of things.....	6,414	3,439	3,439
04 Communication services.....	33,360	28,198	28,448
05 Rents and utility services.....	1,543	1,000	1,000
06 Printing and reproduction.....	62,697	57,130	57,130
07 Other contractual services.....	7,411	5,065	5,310
Services performed by other agencies.....	18,686	5,820	5,820
08 Supplies and materials.....	16,933	12,435	12,530
09 Equipment.....	16,253	4,546	5,326
13 Refunds, awards, and indemnities.....	77	-----	-----
15 Taxes and assessments.....	2,945	1,250	1,250
Total obligations.....	2,295,731	2,467,660	2,510,500

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$2,080,000	\$2,144,300	\$2,397,000
Transferred from "Agricultural adjustment programs, Commodity Stabilization Service" (69 Stat. 240).....	14,520	-----	-----
Adjusted appropriation.....	2,094,520	2,144,300	2,397,000
Proposed supplemental due to pay increases.....	-----	138,700	-----
Obligated balance brought forward.....	143,633	141,659	142,659
Increase in prior year obligations.....	3,476	-----	-----
Total budget authorizations available.....	2,241,629	2,424,659	2,539,659
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	1,946,602	2,004,000	2,253,000
Out of anticipated supplemental appropriation.....	-----	137,000	1,700
Out of prior authorizations.....	147,089	141,000	140,300
Total expenditures.....	2,093,691	2,282,000	2,395,000
Unobligated balance no longer available (expiring for obligation).....	6,279	-----	-----
Obligated balance carried forward.....	141,659	142,659	144,659
Total expenditures and balances.....	2,241,629	2,424,659	2,539,659

## Allotments and Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows: "Mutual security, funds appropriated to the President."

## OFFICE OF INFORMATION

## Salaries and Expenses, Office of Information, Agriculture

For necessary expenses of the Office of Information for the dissemination of agricultural information and the coordination of informational work and programs authorized by Congress in the Department, **[\$1,238,000] \$1,331,000**, together with such amounts from other appropriations or authorizations as are provided in the schedules in the budget for the current fiscal year for such expenses, which several amounts not exceeding a total of **[\$16,014] \$17,100** shall be transferred to and made a part of this appropriation, of which total appropriation not to exceed \$537,000 may be used for farmers' bulletins, which shall be adapted to the interests of the people of the different sections of the country, an equal proportion of four-fifths of which shall be delivered to or sent out under the addressed franks furnished by the Senators, Representatives, and Delegates in Congress, as they shall direct (7 U. S. C. 417) and not less than two hundred thirty thousand eight hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by section 73 of the Act of January 12, 1895 (44 U. S. C. 241): *Provided*, That in the preparation of motion pictures or exhibits by the Department, not exceeding a total of \$10,000 may be used for employment pursuant to the second sentence of section 706 (a) of the Organic Act of 1944 (5 U. S. C. 574), as amended by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a): *Provided further*, That no part of this appropriation shall be used for the establishment or maintenance of regional or State field offices, or for the compensation of employees in such offices. (5 U. S. C. 511-512; *Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

Appropriated 1956, **\$1,238,000**Estimate 1957, **\$1,331,000**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
1. Publications review and distribution.....	\$579,184	\$616,917	\$666,417
2. Review and distribution of current agricultural information.....	448,951	473,979	473,979



## PROGRAM AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities—Continued</b>			
3. Review, preparation, and distribution of visual agricultural information.....	\$192,365	\$207,704	\$207,704
Total obligations.....	1,220,500	1,298,600	1,348,100
<b>Financing:</b>			
Comparative transfers from other accounts.....	-16,133		
Advances from other accounts.....	-16,014	-17,100	-17,100
Unobligated balance no longer available.....	7,647		
<b>Appropriation.....</b>	1,196,000	1,238,000	1,331,000
<b>Proposed supplemental due to pay increases.....</b>		43,500	

## PROGRAM AND PERFORMANCE

The Office has responsibility for directing, integrating and coordinating the information work of the entire Department. Its major objective is to report to farmers, to other specially affected groups and to the public generally regarding the research, action, regulatory and other programs. The Department uses all media of information in disseminating reports of its work in order that the greatest number of farmers and others may obtain this information through the usual channels to which they are accustomed.

The information work of the Department is carried on in closest cooperation with the land-grant colleges, with the Department largely preparing the informational materials which the colleges adapt and distribute.

The Department also carries on information activities in cooperation with private industries which serve agriculture.

The workload of the Office is dependent to a large extent upon the demands from the Department programs, from direct requests for information, and upon legislative requirements.

1. *Publications, review and distribution.*—Publications include farmers' bulletins, leaflets, periodicals, scientific, research and marketing publications, and agricultural statistics.

2. *Review and distribution of current agricultural information.*—The Department's activities require the issuance of about 3,300 periodic crop, price, and market reports and press releases annually. Special information is furnished to national magazines, encyclopedic annuals, and trade publications. Digests, newsletters, and other services are made available to press associations, daily newspapers, and farm publications. Part 2 of the Secretary's annual report, known as the Yearbook of Agriculture, is published by the Office and distributed by Members of Congress. Radio is used to reach farmers locally and to broadcast regular weekly programs on major networks. Television package programs are prepared for use of land-grant colleges and television farm broadcasters.

3. *Review, preparation, and distribution of visual agricultural information.*—Motion pictures for the Department and private industries which serve agriculture are produced on a reimbursable basis and distributed through 74 cooperating State film libraries. Still photographs, illustrations, and graphics are similarly produced. Exhibits are produced and supplied to State extension workers for their use in State exhibit showings.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	126	129	135
Full-time equivalent of all other positions.....	1		
Average number of all employees.....	112	114	122
Number of employees at end of year.....	126	130	136

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,217	\$5,621	\$5,625
Average grade.....	GS-7.0	GS-7.1	GS-7.2
Ungraded positions: Average salary.....	\$3,443	\$3,768	\$3,824
<b>01 Personal services:</b>			
Permanent positions.....	\$573,842	\$637,305	\$683,474
Positions other than permanent.....	4,241		
Regular pay above 52-week base.....	1,676	2,232	
Payment above basic rates.....	821		
Other payments for personal services.....	3,133		
Total personal services.....	583,713	639,537	683,474
<b>02 Travel.....</b>	8,406	10,500	12,000
<b>03 Transportation of things.....</b>	2,273	2,300	2,052
<b>04 Communication services.....</b>	61,850	65,000	62,000
<b>06 Printing and reproduction.....</b>	503,496	516,063	517,574
<b>07 Other contractual services.....</b>	6,079	7,750	12,000
<b>08 Services performed by other agencies.....</b>	39,280	45,500	47,000
<b>09 Supplies and materials.....</b>	9,733	10,000	10,000
<b>Equipment.....</b>	4,811	1,200	1,200
<b>13 Refunds, awards, and indemnities.....</b>	71		
<b>15 Taxes and assessments.....</b>	788	750	800
Total obligations.....	1,220,500	1,298,600	1,348,100

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$1,196,000	\$1,238,000	\$1,331,000
Proposed supplemental due to pay increases.....		43,500	
Obligated balance brought forward.....	804,729	417,006	440,506
Total budget authorizations available.....	2,000,729	1,698,506	1,771,506
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	771,624	800,000	856,000
Out of anticipated supplemental appropriation.....		42,000	1,500
Out of prior authorizations.....	746,967	416,000	439,000
Total expenditures.....	1,518,591	1,258,000	1,296,500
Balance no longer available:			
Unobligated (expiring for obligation).....	7,647		
Other.....	57,485		
Obligated balance carried forward.....	417,006	440,506	475,006
Total expenditures and balances.....	2,000,729	1,698,506	1,771,506

## Allotments and Allocations Received From Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

"Working capital fund, Department of Agriculture."  
 "Mutual security, funds appropriated to the President."

## LIBRARY

## Salaries and Expenses, Library, Agriculture

For necessary expenses, including dues for library membership in societies or associations which issue publications to members only or at a price to members lower than to subscribers who are not members, **[\$659,950] \$773,000.** (5 U. S. C. 83, 511–512, 514, 516, 552a; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, **\$659,950**

Estimate 1957, **\$773,000**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Agricultural library services (total obligations).....	\$667,241	\$700,150	\$773,000
<b>Financing:</b>			
Unobligated balance no longer available.....	2,709		
<b>Appropriation (adjusted).....</b>	669,950	659,950	773,000
<b>Proposed supplemental due to pay increases.....</b>		40,200	

## CURRENT AUTHORIZATIONS—Continued

## LIBRARY—Continued

## Salaries and Expenses, Library, Agriculture—Continued

## PROGRAM AND PERFORMANCE

The Library, serving as the National Agricultural Library, procures, preserves, and makes available books, periodicals, and published materials on agriculture. Its collection consists of most of the important publications of the world covering the field of agriculture and its related sciences. It is organized into a main office in Washington and six specialized branches for major field research installations. Various State agencies provide library services to Department employees in designated geographical areas under cooperative agreement.

During fiscal year 1955 about 35,450 volumes were added to the collection of approximately 1,050,000 volumes on agriculture and related sciences. In addition, about 272,500 separate issues of periodicals were recorded. Materials are procured by purchases, gifts and exchanges. During 1955, 1,262,092 loans of books and periodicals (including photocopies in lieu of loans) were made, and 163,931 reference questions were answered. The Bibliography of Agriculture was issued monthly with a total of 100,698 items listed.

Special bibliographies for research purposes were furnished to major segments of the Department's research program. Highly specialized library service was furnished through branch libraries to the Department's utilization research branches. Estimated obligations for general library services and specialized services for research are:

	1955	1956	1957
General library services.....	\$525,860	\$463,150	\$522,175
Specialized services for research.....	141,381	237,000	250,825
Total.....	667,241	700,150	773,000

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	136	136	145
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	124	127	140
Number of employees at end of year.....	133	134	142
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,144	\$4,456	\$4,444
Average grade.....	GS-5.2	GS-5.2	GS-5.2

## PERMANENT AUTHORIZATIONS

(Indefinite appropriation, special account, unless otherwise indicated)

## FOREST SERVICE

## Expenses, Brush Disposal, Forest Service

Appropriated (est.) 1956, \$4,300,000 Estimate 1957, \$4,500,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
Brush disposal (total obligations).....	\$2,774,321	\$4,300,000	\$4,500,000
Financing:			
Unobligated balance brought forward....	-2,652,056	-3,790,346	-3,790,346
Unobligated balance carried forward....	3,790,346	3,790,346	3,790,346
Appropriation.....	3,912,611	4,300,000	4,500,000

## PROGRAM AND PERFORMANCE

Payments made for this purpose by purchasers of national-forest timber are used to dispose of slash and

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
01 Personal services:			
Permanent positions.....	\$536,805	\$567,900	\$615,350
Positions other than permanent.....	2,242	2,400	2,400
Regular pay above 52-week base.....	2,230	2,300	2,300
Payment above basic rates.....	329	1,000	500
Total personal services.....	541,606	573,600	618,250
02 Travel.....	1,596	1,600	1,600
03 Transportation of things.....	489	500	500
04 Communication services.....	10,909	11,000	11,000
06 Printing and reproduction.....	3,445	3,500	5,500
Binding.....	31,260	31,300	42,500
07 Other contractual services.....	21,803	21,900	25,900
Services performed by other agencies.....	1,245	1,300	1,300
08 Supplies and materials.....	7,152	7,600	8,600
09 Equipment.....	45,749	45,700	55,700
13 Refunds, awards, and indemnities.....	200	200	200
15 Taxes and assessments.....	1,787	1,950	1,950
Total obligations.....	667,241	700,150	773,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$659,950	\$659,950	\$773,000
Transferred from "Agricultural adjustment programs, Commodity Stabilization Service" (69 Stat. 240).....	10,000		
Adjusted appropriation.....	669,950	659,950	773,000
Proposed supplemental due to pay increases.....		40,200	
Obligated balance brought forward.....	55,098	52,476	53,026
Total budget authorizations available.....	725,048	752,626	826,026
EXPENDITURES AND BALANCES			
Expenditures—			
Out of current authorizations.....	617,747	610,300	717,000
Out of anticipated supplemental appropriation.....		39,300	900
Out of prior authorizations.....	50,850	50,000	50,100
Total expenditures.....	668,597	699,600	768,000
Balance no longer available:			
Unobligated (expiring for obligation).....	2,709		
Other.....	1,266		
Obligated balance carried forward.....	52,476	53,026	58,026
Total expenditures and balances.....	725,048	752,626	826,026

## Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allocations from other appropriations are shown in the schedules of the parent appropriations, as follows: "Mutual security, funds appropriated to the President."

other debris that result from cutting operations (16 U. S. C. 490).

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	82	87	87
Full-time equivalent of all other positions.....	401	545	605
Average number of all employees.....	559	711	772
Number of employees at end of year.....	1,155	1,235	1,500
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,707	\$5,069	\$5,042
Average grade.....	GS-6.6	GS-6.7	GS-6.7
Ungraded positions: Average salary.....	\$3,739	\$3,872	\$3,872
01 Personal services:			
Permanent positions.....	\$656,691	\$745,032	\$745,032
Positions other than permanent.....	1,381,034	1,972,138	2,175,003
Regular pay above 52-week base.....	2,466	2,865	
Payment above basic rates.....	53,430	60,330	60,330
Other payments for personal services.....	5,659	1,200	1,200
Total personal services.....	2,099,280	2,781,565	2,981,565
02 Travel.....	10,417	22,400	22,400



## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
03 Transportation of things.....	\$14,305	\$34,900	\$34,900
04 Communication services.....	10,480	26,200	26,200
05 Rents and utility services.....	16,659	47,100	47,100
06 Printing and reproduction.....	8	1,300	1,300
07 Other contractual services.....	132,556	447,400	447,400
Services performed by other agencies.....	204,563	225,000	225,000
08 Supplies and materials.....	153,946	501,705	501,705
09 Equipment.....	104,529	187,900	187,900
10 Lands and structures.....	2,025	7,800	7,800
13 Refunds, awards, and indemnities.....	4,026	3,500	3,500
15 Taxes and assessments.....	37,160	30,000	30,000
Subtotal.....	2,789,954	4,316,770	4,516,770
Deduct charges for quarters and subsistence.....	15,633	16,770	16,770
Total obligations.....	2,774,321	4,300,000	4,500,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$3,912,611	\$4,300,000	\$4,500,000
Balance brought forward:			
Unobligated.....	2,652,056	3,790,346	3,790,346
Obligated.....	294,972	276,151	576,151
Total budget authorizations available.....	6,859,639	8,366,497	8,866,497
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	2,793,142	500,000	600,000
Out of prior authorizations.....		3,500,000	3,700,000
Total expenditures.....	2,793,142	4,000,000	4,300,000
Balance carried forward:			
Unobligated.....	3,790,346	3,790,346	3,790,346
Obligated.....	276,151	576,151	776,151
Total expenditures and balances.....	6,859,639	8,366,497	8,866,497

## Roads and Trails for States, National Forests Fund

Appropriated (est.) 1956, \$7,753,900 Estimate 1957, \$10,418,500

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Construction.....	\$5,321,956	\$5,455,268	\$8,018,500
2. Maintenance.....	1,508,857	2,400,000	2,400,000
Total obligations.....	6,830,813	7,855,268	10,418,500
<b>Financing:</b>			
Unobligated balance brought forward.....	—374,869	—101,368	-----
Unobligated balance carried forward.....	101,368	-----	-----
Unobligated balance no longer available.....	2,096	-----	-----
Appropriation.....	6,559,408	7,753,900	10,418,500

## PROGRAM AND PERFORMANCE

Ten percent of the amounts annually received from national forest activities is available for construction and maintenance of roads and trails within the individual forest from which such proceeds are derived (16 U. S. C. 501).

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>FOREST SERVICE</b>			
Total number of permanent positions.....	404	394	394
Full-time equivalent of all other positions.....	472	501	503
Average number of all employees.....	930	884	886
Number of employees at end of year.....	1,302	1,312	1,312
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,707	\$5,069	\$5,042
Average grade.....	GS-6.6	GS-6.7	GS-6.7
Ungraded positions: Average salary.....	\$3,739	\$3,872	\$3,872

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>01 Personal services:</b>			
Permanent positions.....	\$1,974,323	\$1,704,844	\$1,704,844
Positions other than permanent.....	1,238,657	1,504,867	1,511,424
Regular pay above 52-week base.....	7,446	6,557	-----
Payment above basic rates.....	14,672	16,024	16,024
Other payments for personal services.....	2,576	2,300	2,300
Total personal services.....	3,237,674	3,234,592	3,234,592
02 Travel.....	108,813	118,284	118,284
03 Transportation of things.....	29,925	32,310	32,310
04 Communication services.....	17,164	19,690	19,690
05 Rents and utility services.....	15,531	22,840	22,840
06 Printing and reproduction.....	953	1,040	1,040
07 Other contractual services.....	397,118	474,766	474,766
Services performed by other agencies.....	840,078	1,037,602	1,037,602
08 Supplies and materials.....	833,402	1,104,939	1,104,939
09 Equipment.....	99,416	107,178	107,178
10 Lands and structures.....	375,938	688,894	3,252,126
13 Refunds, awards, and indemnities.....	919	200	200
15 Taxes and assessments.....	30,492	32,940	32,940
Subtotal.....	5,987,423	6,875,275	9,438,507
Deduct charges for quarters and subsistence.....	21,293	20,007	20,007
Total, Forest Service.....	5,966,130	6,855,268	9,418,500
<b>ALLOCATION TO BUREAU OF PUBLIC ROADS, DEPARTMENT OF COMMERCE</b>			
Total number of permanent positions.....	35	35	35
Full-time equivalent of all other positions.....	20	19	19
Average number of all employees.....	50	47	47
Number of employees at end of year.....	35	50	50
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$5,166	\$5,584	\$5,695
Average grade.....	GS-7.6	GS-7.6	GS-7.6
Ungraded positions: Average salary.....	\$4,295	\$4,488	\$4,484
<b>01 Personal services:</b>			
Permanent positions.....	\$128,868	\$128,000	\$128,500
Positions other than permanent.....	63,439	65,000	65,000
Regular pay above 52-week base.....	488	500	-----
Payment above basic rates.....	6,393	6,500	6,500
Total personal services.....	199,188	200,000	200,000
02 Travel.....	24,762	25,000	25,000
03 Transportation of things.....	200	1,000	1,000
04 Communication services.....	109	100	100
05 Rents and utility services.....	1,155	2,000	2,000
06 Printing and reproduction.....	2,147	2,000	2,000
07 Other contractual services.....	112,131	125,000	125,000
08 Supplies and materials.....	7,771	25,000	25,000
09 Equipment.....	12	-----	-----
10 Lands and structures.....	517,409	619,900	619,900
Subtotal.....	864,884	1,000,000	1,000,000
Deduct charges for quarters and subsistence.....	201	-----	-----
Total, Bureau of Public Roads.....	864,683	1,000,000	1,000,000
Total obligations.....	6,830,813	7,855,268	10,418,500

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$6,559,408	\$7,753,900	\$10,418,500
Balance brought forward:			
Unobligated.....	374,869	101,368	-----
Obligated.....	3,377,749	2,231,992	2,387,260
Total budget authorizations available.....	10,312,026	10,087,260	12,805,760
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	7,976,570	5,500,000	5,487,000
Out of prior authorizations.....		2,200,000	2,300,000
Total expenditures.....	7,976,570	7,700,000	7,787,000
Unobligated balance no longer available (expiring for obligation).....	2,096	-----	-----
Balance carried forward:			
Unobligated.....	101,368	-----	-----
Obligated.....	2,231,992	2,387,260	5,018,760
Total expenditures and balances.....	10,312,026	10,087,260	12,805,760

## Miscellaneous Permanent Appropriations, Forest Service

Appropriated (est.) 1956, \$19,946,700 Estimate 1957, \$26,608,700

## PERMANENT AUTHORIZATIONS—Continued

## FOREST SERVICE—Continued

## Miscellaneous Permanent Appropriations, Forest Service—Con.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Development and improvement of a ranger dwelling, Tonto National Forest.....	\$14,514	\$986	
2. Forest fire prevention.....	30,763	49,837	\$30,000
3. Payment to Minnesota from the National Forests fund.....	45,769	46,200	46,400
4. Payments due counties, submarginal land program.....	374,968	375,000	375,000
5. Payments to school funds, Arizona and New Mexico.....	102,579	114,300	115,000
6. Payments to States and Territories from the National Forests fund.....	16,425,136	19,381,200	26,042,300
Total obligations.....	16,993,729	19,967,523	26,608,700
<b>Financing:</b>			
Unobligated balance brought forward.....	-49,932	-20,823	
Unobligated balance carried forward.....	20,823		
<b>Appropriation.....</b>	<b>16,964,620</b>	<b>19,946,700</b>	<b>26,608,700</b>

## PROGRAM AND PERFORMANCE

1. *Development and improvement of a ranger dwelling, Tonto National Forest.*—Funds from the sale of certain ranger station buildings and appurtenant facilities on the Tonto National Forest are being used for a new ranger dwelling (68 Stat. 253).

2. *Forest fire prevention.*—Fees for the use of the character "Smokey Bear" by private enterprises are collected under regulations promulgated by the Secretary and are available for furthering the nationwide forest fire prevention campaign (66 Stat. 92).

3. *Payment to Minnesota.*—At the close of each fiscal year the State of Minnesota is paid three-fourths of 1 percent of the appraised value of certain Superior National Forest lands in the counties of Cook, Lake, and Saint Louis for distribution to these counties (16 U. S. C. 577g).

4. *Payments due counties, submarginal land program.*—Of the revenues received from the use of submarginal lands, 25 percent is paid to the counties in which such land is situated, for school and road purposes (7 U. S. C. 1021).

5. *Payments to school funds, Arizona and New Mexico.*—The States of Arizona and New Mexico are paid a share of the national-forest receipts for school purposes (36 Stat. 562, 573).

6. *Payments to States and Territories.*—With minor exceptions, 25 percent of the money received from the national forests is paid to the States and Territories for public schools and roads of the county in which such forests are situated (16 U. S. C. 500).

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	2	4	4
Full-time equivalent of all other positions.....	1		
Average number of all employees.....	4	4	4
Number of employees at end of year.....	3	4	4
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,707	\$5,069	\$5,042
Average grade.....	GS-6.6	GS-6.7	GS-6.7
Ungraded positions: Average salary.....	\$3,739	\$3,872	\$3,872
<b>01 Personal services:</b>			
Permanent positions.....	\$10,990	\$12,719	\$12,768
Positions other than permanent.....	3,054		
Regular pay above 52-week base.....	42	49	
Payment above basic rates.....	181	180	180
Total personal services.....	14,267	12,948	12,948
<b>04 Communication services.....</b>	<b>2,608</b>	<b>3,000</b>	<b>2,600</b>

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
06 Printing and reproduction.....	\$9,596	\$24,837	\$9,922
07 Other contractual services.....	1,932	5,042	2,000
Services performed by other agencies.....	899	1,000	1,000
08 Supplies and materials.....	1,417	2,960	1,480
10 Lands and structures.....	14,512	986	
11 Grants, subsidies, and contributions.....	16,948,452	19,916,700	26,578,700
15 Taxes and assessments.....	46	50	50
Total obligations.....	16,993,729	19,967,523	26,608,700

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
<b>Appropriations:</b>			
"Development and improvement of a ranger dwelling, Tonto National Forest".....	\$15,500		
"Forest fire prevention, Forest Service".....	32,221	\$30,000	\$30,000
"Payment to Minnesota (Cook, Lake, and Saint Louis Counties) from the national forests fund".....	45,769	46,200	46,400
"Payments due counties, submarginal land program, Farm Tenant Act".....	374,968	375,000	375,000
"Payments to school funds, Arizona and New Mexico, act of June 20, 1910 (receipt limitation)" (indefinite appropriation, general account).....	102,579	114,300	115,000
"Payments to States and Territories from the national forests fund".....	16,393,583	19,381,200	26,042,300
Total appropriations.....	16,964,620	19,946,700	26,608,700
Balance brought forward:			
Unobligated.....	49,932	20,823	
Obligated.....	14,621	21,551	21,925
Total budget authorizations available.....	17,029,173	19,989,074	26,630,625
<b>EXPENDITURES AND BALANCES</b>			
<b>Expenditures (out of current authorizations):</b>			
"Forest fire prevention, Forest Service".....	5,795	8,575	10,000
"Payment to Minnesota (Cook, Lake, and Saint Louis Counties) from the national forests fund".....	45,769	46,200	46,400
"Payments due counties, submarginal land program, Farm Tenant Act".....	374,968	375,000	375,000
"Payments to school funds, Arizona and New Mexico, act of June 20, 1910 (receipt limitation)" (indefinite appropriation, general account).....	102,579	114,300	115,000
"Payments to States and Territories from the national forests fund".....	16,393,135	19,381,200	26,042,300
<b>Expenditures (out of prior authorizations):</b>			
"Development and improvement of a ranger dwelling, Tonto National Forest".....		15,000	500
"Forest fire prevention, Forest Service".....	32,551	26,425	20,000
"Payments to States and Territories from the national forests fund".....	32,002	449	
Total expenditures.....	16,986,799	19,967,149	26,609,200
Balance carried forward:			
Unobligated.....	20,823		
Obligated.....	21,551	21,925	21,425
Total expenditures and balances.....	17,029,173	19,989,074	26,630,625

## AGRICULTURAL MARKETING SERVICE

*Perishable Agricultural Commodities Act Fund, Department of Agriculture*

Appropriated (estimate) 1956, \$460,000 Estimate 1957, \$460,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Licensing dealers and handling complaints (total obligations).....	\$419,745	\$517,000	\$517,000
<b>Financing:</b>			
Unobligated balance brought forward.....	-335,013	-359,442	-302,442
Unobligated balance carried forward.....	359,442	302,442	245,442
<b>Appropriation.....</b>	<b>444,174</b>	<b>460,000</b>	<b>460,000</b>



## PROGRAM AND PERFORMANCE

License fees are deposited in this special fund and used to meet the cost of administering the Perishable Agricultural Commodities, Produce Agency, and Export Apple and Pear Acts (7 U. S. C. 499a-499s, 491-497, 581-589).

These acts assure equitable treatment to farmers and others in the marketing of fresh and frozen fruits and vegetables. Commission merchants, dealers, and brokers handling these products in interstate and foreign commerce are licensed. Complaints of violations are investigated and violations dealt with by (1) informal settlements agreeable to both parties, (2) formal decisions involving payments of reparation awards between parties, and (3) suspension or revocation of license and/or publication of the facts. About 26,900 licenses are now in effect. This represents an average increase of about 600 in each of the past 4 years. This trend is expected to continue at a slightly accelerated rate. Complaints continue to be received at a fairly constant rate—about 2,400 annually. Efforts are being concentrated on prompt handling of all cases.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	85	91	91
Average number of all employees.....	73	88	88
Number of employees at end of year.....	73	90	90
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,571	\$4,920	\$4,945
Average grade.....	GS-6.0	GS-6.2	GS-6.2
01 Personal services:			
Permanent positions.....	\$353,912	\$437,759	\$439,750
Regular pay above 52-week base.....	1,411	1,675	
Payment above basic rates.....		16	20
Total personal services.....	355,323	439,450	439,770
02 Travel.....	16,797	22,500	22,500
03 Transportation of things.....	1,241	2,500	2,500
04 Communication services.....	13,947	17,500	17,500
05 Rents and utility services.....	3,019	3,000	3,000
06 Printing and reproduction.....	8,007	10,600	10,600
07 Other contractual services.....	6,476	7,550	7,550
Services performed by other agencies.....	74		
08 Supplies and materials.....	7,078	7,925	7,900
09 Equipment.....	7,037	5,300	5,200
13 Refunds, awards, and indemnities.....	140	25	25
15 Taxes and assessments.....	606	650	455
Total obligations.....	419,745	517,000	517,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Appropriation.....	\$444,174	\$460,000	\$460,000
Balance brought forward:			
Unobligated.....	335,013	359,442	302,442
Obligated.....	31,214	31,559	34,259
Total budget authorizations available.....	810,401	851,001	796,701
EXPENDITURES AND BALANCES			
Expenditures:			
Out of current authorizations.....	419,400	123,299	178,099
Out of prior authorizations.....		391,001	336,701
Total expenditures.....	419,400	514,300	514,800
Balance carried forward:			
Unobligated.....	359,442	302,442	245,442
Obligated.....	31,559	34,259	36,459
Total expenditures and balances.....	810,401	851,001	796,701

## Removal of Surplus Agricultural Commodities

(Indefinite appropriation, general account)

Appropriated (estimate) 1956, **\$166,807,174**

Estimate 1957, **\$199,525,000**

Appropriated (adjusted) 1956, **\$162,441,295**

Estimate (adjusted) 1957,\* **\$195,175,000**

\* Excludes \$2,000 for activities transferred in the estimates to "Salaries and expenses, Office of the Secretary of Agriculture." The amounts obligated in 1955 and 1956 are shown in the schedule as comparative transfers.

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Program by activities:			
1. Direct purchase.....	\$23,991,243	\$207,745,000	\$265,450,000
2. Encouragement of exportation.....	4,617,303	5,400,000	7,200,000
3. Diversion to byproducts and new uses.....	411,365	15,620,000	5,650,000
4. Surplus removal operating expenses.....	1,517,275	2,644,400	3,169,400
5. Marketing agreements and orders.....	1,223,309	1,500,000	1,500,000
6. Foreign market promotion.....	1,007,079	1,270,248	1,482,248
7. Import controls.....	187,633	210,485	210,485
Total obligations.....	32,955,207	234,390,133	284,662,133
Financing:			
Comparative transfers to other accounts.....	2,000	2,215	
Unobligated balance brought forward.....	-268,768,343	-300,000,000	-228,048,947
Recovery of prior year obligations.....	-2,901,998		
Unobligated balance carried forward.....	300,000,000	228,048,947	138,561,814
Unobligated balance no longer available.....	114,352,059		
Appropriation (adjusted).....	175,638,925	162,441,295	195,175,000

## PROGRAM AND PERFORMANCE

Under section 32 of the Act of August 24, 1935, as amended (7 U. S. C. 612c), an amount equal to 30 percent of customs receipts during each calendar year plus unused balances up to \$300 million are available for encouraging exportation and domestic consumption of agricultural products. These funds are also authorized for administering marketing agreements and orders and the section 22 import control programs. From time to time, special laws have been enacted which affect the use of these funds. A maximum of \$15 million of section 32 funds can be used during each of the fiscal years 1956 and 1957 for the purchase and donation of wheat flour and cornmeal to needy persons. An amount equal to 30 percent of receipts collected for fishery products is transferred to the Department of the Interior to encourage distribution of fishery products and for other purposes.

The basic legislation provides that not more than 25 percent of funds available shall be used for any one commodity or product thereof. It also provides that section 32 funds shall be devoted principally to perishable agricultural commodities, other than those receiving price support under title II of the Agricultural Act of 1949, as amended. These title II commodities are tung nuts, honey, milk, butterfat and the products of milk and butterfat. In 1955, perishable commodity expenses represented 53 percent of total funds used and 65 percent of total commodity program costs. Funds are budgeted for two principal categories—commodity program costs and operating expenses.

Commodity program costs incident to the removal of surplus agricultural commodities from the normal channels of trade include: (1) *Direct purchases*, which are donated to the school lunch program, charitable institutions serving needy persons, and persons certified by welfare agencies as eligible for relief; (2) *Export payments*, so surplus commodities can be purchased by exporters on the domestic market and sold by them on the world market at competitive prices; and (3) *Diversion payments* to processors, so surplus commodities can be purchased at current market prices diverted to byproducts and new uses and sold at prices comparable to competing products in order to stimulate the creation of new markets for surplus commodities.

The use of section 32 program funds is contingent upon economic conditions, the type of program being dependent upon the action which will best solve the particular need at the time.

Operating expenses consist of: (4) *Surplus removal operating expenses*. These are mainly expenses of purchasing, distributing, exporting, and diverting surplus commodities. Supervisory assistance is furnished local and State groups



## PERMANENT AUTHORIZATIONS—Continued

## AGRICULTURAL MARKETING SERVICE—Continued

## Removal of Surplus Agricultural Commodities—Continued

to encourage the preservation of local surpluses for year-round use; increasing emphasis is being placed on a cooperative effort with food producers and distributors to increase sales of plentiful foods. In 1955, the monthly abundant food list contained an average of 15 foods; and 6 national and 14 area, State, and local food drives were conducted; (5) *Marketing agreements and orders*.—Voluntary arrangements between the Secretary and handlers of farm products are put into effect, upon request from the industry and after hearings, investigations, and referenda among producers, to strengthen prices by establishing and maintaining orderly marketing conditions. Administration of the program at the local level is financed by assessments upon handlers. On June 30, 1955, 58 orders were in effect for milk, 1 for shade-grown tobacco, and 30 covering tree fruits, tree nuts, and vegetables. This program is expanding principally on milk; (6) *Foreign market promotion*.—Maintenance and expansion of foreign markets for United States surplus agricultural products are promoted by (a) obtaining and analyzing information on foreign-market requirements and making such information available to farm and trade groups; (b) developing market programs for use by producers, exporters, and Government officials to maintain and expand the market abroad of United States farm products; and (c) assisting domestic trade representatives in negotiations with foreign government officials, importers, and consumers, and bringing together American exporters and foreign importers under conditions favorable to trade; and (7) *Import controls*.—Importation of articles which interfere with programs carried out by the Department of Agriculture is investigated and recommendation for action is submitted to the President. Import controls are administered. During 1955, preliminary investigations were conducted on 23 commodities, resulting in the application or modification of import restrictions. A total of 2,284 licenses for imports of cheese were issued and 74 for manufactured dairy products other than cheese.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>AGRICULTURAL MARKETING SERVICE</b>			
Total number of permanent positions.....	382	445	468
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	336	432	454
Number of employees at end of year.....	376	440	463
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,556	\$5,994	\$5,996
Average grade.....	GS-7.7	GS-8.0	GS-8.0
01 Personal services:			
Permanent positions.....	\$1,936,507	\$2,627,700	\$2,767,700
Positions other than permanent.....	4,365	1,800	2,000
Regular pay above 52-week base.....	7,583	9,400	
Payment above basic rates.....	2,379	8,100	8,300
Total personal services.....	1,950,834	2,647,000	2,778,000
02 Travel.....	166,931	213,500	234,000
03 Transportation of things.....	7,307	8,500	9,000
04 Communication services.....	64,710	74,000	77,800
05 Rents and utility services.....	17,605	27,100	28,200
06 Printing and reproduction.....	25,316	40,500	41,000
07 Other contractual services.....	49,706	43,300	45,000
08 Supplies and materials.....	25,772	26,000	26,700
09 Equipment.....	29,417	16,700	16,700
11 Grants, subsidies, and contributions.....		5,220,000	7,850,000
13 Refunds, awards, and indemnities.....	560	600	700
15 Taxes and assessments.....	2,770	2,800	2,900
Total, Agricultural Marketing Service.....	2,340,928	8,320,000	11,110,000

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>ALLOCATION TO COMMODITY STABILIZATION SERVICE</b>			
Total number of permanent positions.....	74	218	334
Average number of all employees.....	67	183	300
Number of employees at end of year.....	48	128	211
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,192	\$4,499	\$4,523
Average grade.....	GS-5.3	GS-5.3	GS-5.4
01 Personal services:			
Permanent positions.....	\$310,540	\$736,640	\$1,148,240
Regular pay above 52-week base.....	1,165	2,820	
Payment above basic rates.....	5,711	12,180	17,520
Other payments for personal services.....	861	1,560	2,340
Total personal services.....	318,277	753,200	1,168,100
02 Travel.....	14,888	16,800	19,100
03 Transportation of things.....	1,589	2,600	3,700
04 Communication services.....	16,388	20,300	29,500
05 Rents and utility services.....	27,495	36,500	47,800
06 Printing and reproduction.....	5,987	8,100	11,900
07 Other contractual services.....	2,789	3,800	5,400
Advanced to—			
“Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938” (7 U. S. C. 1392).....	900	123,900	34,600
“Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture” (7 U. S. C. 1388).....		59,400	59,400
Services performed by other agencies.....	318	800	1,100
08 Supplies and materials.....	3,695	9,900	16,500
09 Equipment.....	6,091	7,400	9,900
11 Grants, subsidies, and contributions.....	29,019,911	223,545,000	270,450,000
13 Refunds, awards, and indemnities.....	87	300	500
15 Taxes and assessments.....	1,152	1,400	1,900
Total, Commodity Stabilization Service.....	29,419,567	224,589,400	271,859,400
<b>ALLOTMENT TO FOREIGN AGRICULTURAL SERVICE</b>			
Total number of permanent positions.....	181	208	234
Full-time equivalent of all other positions.....	2	2	2
Average number of all employees.....	155	189	212
Number of employees at end of year.....	186	208	234
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,042	\$6,443	\$6,472
Average grade.....	GS-8.6	GS-8.5	GS-8.6
01 Personal services:			
Permanent positions.....	\$942,858	\$1,203,833	\$1,362,433
Positions other than permanent.....	15,714	16,300	18,300
Regular pay above 52-week base.....	2,362	3,000	
Payment above basic rates.....	8		
Total personal services.....	960,942	1,223,133	1,380,733
02 Travel.....	113,421	167,300	199,400
03 Transportation of things.....	873	1,500	2,200
04 Communication services.....	19,253	20,200	20,700
06 Printing and reproduction.....	18,232	17,900	23,900
07 Other contractual services.....	5,205	5,300	5,600
Services performed by other agencies.....	44,187	28,200	42,700
08 Supplies and materials.....	7,363	8,500	8,800
09 Equipment.....	23,925	6,800	6,800
15 Taxes and assessments.....	1,311	1,900	1,900
Total, Foreign Agricultural Service.....	1,194,712	1,480,733	1,692,733
Total obligations.....	32,955,207	234,390,133	284,662,133

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$180,091,952	\$166,807,174	\$199,525,000
Transferred to—			
“Marketing research and service, Agricultural Marketing Service” (69 Stat. 240, 5 U. S. C. 572).....	—245,201	—43,000	-----
“Promote and develop fishery products and research pertaining to American fisheries, Fish and Wildlife Service,” Department of the Interior (15 U. S. C. 713e-3).....	—4,207,826	—4,322,879	—4,350,000
Adjusted appropriation.....	175,638,925	162,441,295	195,175,000
Balance brought forward:			
Unobligated.....	268,768,343	300,000,000	228,048,947
Obligated.....	39,025,920	10,176,393	19,568,741
Total budget authorizations available.....	483,433,188	472,617,688	442,792,688



## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....	\$58,904,736	{ \$225,000,000	\$17,383,000
Out of prior authorizations.....			247,617,000
Total expenditures.....	58,904,736	225,000,000	265,000,000
Unobligated balance no longer available (expiring for obligation).....	114,352,059		
Balance carried forward:			
Unobligated.....	300,000,000	228,048,947	138,561,814
Obligated.....	10,176,393	19,568,741	39,230,874
Total expenditures and balances.....	483,433,188	472,617,688	442,792,688

**COMMODITY STABILIZATION SERVICE***National Wool Act, Commodity Stabilization Service*

(Indefinite appropriation, general account)

Appropriated 1956, **\$187,684**Estimate 1957, **\$25,390,728**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Reimbursement to Commodity Credit Corporation for expenditures under National Wool Act (total obligations).....		\$187,684	\$25,390,728
<b>Financing:</b>			
Appropriation.....		187,684	25,390,728

## PROGRAM AND PERFORMANCE

The National Wool Act of 1954 declares it to be the policy of the Congress, in promotion of the national security and the general economic welfare, to encourage the annual production of 300 million pounds of shorn wool. This is to be accomplished through incentive payments made to producers by the Commodity Credit Corporation.

In the fiscal years 1956 and 1957 it is estimated that incentive payments will be made on 293 million pounds of wool at an average rate of 19.1 cents per pound, or a total of \$56 million in each year. Program and interest expenses in 1956 and 1957 are shown in the table below.

Section 705 of the National Wool Act appropriates funds to reimburse the Corporation for costs of the program during the preceding fiscal year as well as for any unreimbursed costs incurred in prior years. The latter provision was made because annual appropriations are limited to an amount equal to 70 percent of duties collected on wool during the calendar year preceding the beginning of each fiscal year. Reimbursements to the Corporation pursuant to this authority in 1956 and 1957 are also shown in the table below. The appropriation estimate for 1957 assumes that duties collected during the calendar year 1955 will be the same as for 1954. The unrecovered balance will remain on the books of the Corporation as a receivable until subsequent appropriations become available. At the current rate of duties collected, it is anticipated that full reimbursement for costs during the fiscal year 1956 will not be effected until appropriations for the fiscal year 1959 become available.

Following is a summary of Commodity Credit Corporation expenses and receipts under this program:

## COMMODITY CREDIT CORPORATION EXPENSES AND RECEIPTS

	1955 actual	1956 estimate	1957 estimate
Program expenses.....	\$187,432	\$57,738,564	\$57,791,900
Interest expenses.....	252	299,505	1,407,771
Total expenses.....	187,684	58,038,069	59,199,671
Appropriation in 1956, 1957, and 1958 (limited to 70 percent of duties collected on wool during preceding calendar year).....	187,684	25,390,728	25,000,000
Recoverable from subsequent appro- priations.....		32,647,341	34,199,671

## OBLIGATIONS BY OBJECTS

- 11 Grants, subsidies, and contributions (reimbursement to Commodity Credit Corporation)—1956, \$187,684; 1957, \$25,390,728.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....		\$187,684	\$25,390,728
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures (out of current author- izations).....		187,684	25,390,728

**REVOLVING AND MANAGEMENT FUNDS****PUBLIC ENTERPRISE FUNDS**

The following corporations and agencies are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the fiscal year [1956] 1957 for such corporation or agency, except as hereinafter provided:

**COMMODITY CREDIT CORPORATION**

## RESTORATION OF CAPITAL IMPAIRMENT

**Restoration of Capital Impairment, Commodity Credit Corporation**

To restore the capital impairment of the Commodity Credit Corporation determined by the appraisal of June 30, [1954] 1955, pursuant to section 1 of the Act of March 8, 1938, as amended (15 U. S. C. 713a-1), [\$1,634,659] \$929,287,178. (Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.)

Appropriated 1956, **\$1,634,659**Estimate 1957, **\$929,287,178**

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program</b>			
Regular operations:			
Price support program (CCC nonre- course loan, purchase, and payment programs):			
Direct loans made.....	\$466,600,092	\$502,694,535	\$298,792,500
Loans made by lending agencies (guaranteed by Commodity Credit Corporation).....	1,890,753,218	2,270,000,000	1,385,000,000
Total loans on commodities.....	2,357,353,310	2,772,694,535	1,683,792,500
Purchases of commodities and other costs.....	1,397,552,027	1,303,280,853	1,121,791,452
National Wool Act, incentive pay- ments and other costs.....	187,684	58,038,069	59,199,671
School milk program.....	22,229,557	50,000,000	
Other obligations.....	5,044,527	2,163,500	1,182,000
Total price support program.....	3,782,367,105	4,186,176,957	2,865,965,623
Supply and foreign purchase program.....	17,110,843	25,606,157	10,850,930
Storage facilities program:			
Loans on storage facilities and equip- ment:			
Direct loans made.....	15,916,482	14,250,000	13,250,000
Loans made by lending agencies (guaranteed by Commodity Credit Corporation).....	3,913,886	3,500,000	3,250,000
Total loans storage facilities and equipment.....	19,830,368	17,750,000	16,500,000



## REVOLVING AND MANAGEMENT FUNDS—Continued

## PUBLIC ENTERPRISE FUNDS—Continued

## COMMODITY CREDIT CORPORATION—Continued

## RESTORATION OF CAPITAL IMPAIRMENT—continued

## Restoration of Capital Impairment, Commodity Credit Corporation—Continued

## PROGRAM AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
<b>Program—Continued</b>			
Regular operations—Continued			
Storage facilities program—Continued			
Purchase of storage facilities and equipment and other costs.....	\$26,389,758	\$31,859,548	\$33,390,000
Total storage facilities program.....	46,220,126	49,609,548	49,890,000
Subsidy program (liquidation).....	184,811		
Expenses:			
Administrative:			
Subject to limitation.....	24,440,515	30,264,000	31,000,000
Reimbursable.....	4,752,966	5,764,848	5,914,172
Nonadministrative and other.....	9,306,256	11,479,463	10,993,503
Interest—Treasury.....	59,787,951	165,000,000	250,000,000
Total regular operations.....	3,944,170,573	4,473,900,973	3,224,614,228
Special activities:			
Loan to Secretary of Agriculture for agricultural conservation purposes.....	43,450,000	43,450,000	43,450,000
Eradication of foot-and-mouth disease.....	1,301,215	2,005,387	49,190
Eradication of brucellosis in cattle.....	12,405,994	15,276,933	375,000
Cotton classing and tobacco grading.....	434,767	256,981	432,098
Transfer of hay and pasture seed to Federal land administering agencies.....	149,659	35,019	
International Wheat Agreement costs.....	105,542,767	85,678,533	2,105,875
Commodity grants for emergency assistance to Pakistan and other friendly peoples.....	4,508,392		
Agricultural Trade Development and Assistance Act:			
Title I—Sales for foreign currencies.....	246,485,054	685,743,911	536,031,163
Title II—Commodity grants for emergency assistance to friendly peoples.....	86,896,464	107,335,033	103,255,413
Total special activities.....	501,174,312	939,781,797	685,698,739
Total program.....	4,445,344,885	5,413,682,770	3,910,312,967
<b>Financing</b>			
Amounts becoming available:			
New authorizations:			
Appropriation for restoration of capital impairment.....		1,634,659	929,287,178
To borrow from Treasury.....	1,500,000,000	2,000,000,000	
Receipts from operations:			
Regular:			
Price support program (CCC non-recourse loan, purchase, and payment programs):			
Repayments of loans:			
To Commodity Credit Corporation.....	361,937,562	445,387,544	515,311,712
To lending agencies.....	111,488,318	132,000,000	120,000,000
Total repayments of loans.....	473,425,880	577,387,544	635,311,712
Sales of commodities <sup>1</sup> .....	1,268,856,731	1,603,086,684	1,692,391,000
National Wool Act reimbursement.....		187,684	25,390,728
Recovery of prior year obligations.....	288,344,634	199,340,004	193,460,000
Other.....	6,976,960	5,877,500	761,500
Total price support program.....	2,037,604,205	2,385,879,416	2,547,314,940
Supply and foreign purchase program.....	59,065,028	30,159,208	20,566,508
Storage facilities program:			
Repayments of loans:			
To Commodity Credit Corporation.....	8,486,007	13,376,308	15,000,000
To lending agencies.....	2,209,186	3,240,000	3,550,000
Total repayments of loans.....	10,695,193	16,616,308	18,550,000
Other.....	106,119	6,365	
Total storage facilities program.....	10,801,312	16,622,673	18,550,000
Commodity export program <sup>2</sup> .....	-49,574,935	-25,000,000	-17,500,000
Interest income, administrative expense reimbursements and other.....	17,101,613	33,024,848	52,959,172
Total regular operations.....	2,074,997,223	2,440,686,145	2,621,890,620

<sup>1</sup> Sales under the price support program include sales of agricultural commodities under barter contracts and sales of strategic materials and other commodities acquired under such barter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.

<sup>2</sup> Minus figures result from adjustment to sales to eliminate the market value of agricultural commodities transferred from the price support program.

## PROGRAM AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
<b>Financing—Continued</b>			
Amounts becoming available—Con.			
Receipts from operations—Continued			
Special activities:			
Repayment of loan to Secretary of Agriculture for conservation purposes.....	\$62,143,881	\$32,450,000	\$18,450,000
Reimbursements for prior years' costs:			
Eradication of foot-and-mouth disease.....		5,788,897	1,269,330
Eradication of brucellosis in cattle.....		841,303	11,791,624
Cotton classing and tobacco grading.....	441,655	75,000	367,740
Transfer of hay and pasture seed to land-administering agencies.....			184,678
International Wheat Agreement:			
From appropriated funds.....		57,378,551	101,130,155
Recovery of prior year obligations.....			7,750,000
Commodity grants for emergency assistance to friendly peoples:			
Pakistan: Wheat.....		69,322,990	
Public Law 216 (83d Cong.).....		9,537,154	
Public Law 480 (83d Cong.), title II.....			88,628,927
Sales for foreign currencies, Public Law 480 (83d Cong.), title I:			
From appropriated funds.....			67,477,228
By sale of foreign currencies for dollars.....		10,000,000	25,000,000
Emergency feed program:			
From appropriated funds.....		41,915,799	
By sales of commodities.....	257,897		
Total special activities.....	62,843,433	227,309,694	322,049,682
Total amounts becoming available.....	3,637,840,656	4,669,630,498	3,873,227,480
Balance brought forward:			
Authorization to borrow from Treasury.....	4,320,000,000	2,392,000,000	2,368,000,000
Deduct obligations outstanding, less current assets.....	2,377,494,773	1,256,999,002	1,977,051,274
Total balance brought forward.....	1,942,505,227	1,135,000,998	390,948,726
Total available.....	5,580,345,883	5,804,631,496	4,264,176,206
Balance carried forward.....	-1,135,000,998	-390,948,726	-353,863,239
Financing required.....	4,445,344,885	5,413,682,770	3,910,312,967

The Commodity Credit Corporation engages in buying, selling, lending, and other activities with respect to agricultural commodities, their products, food, feeds and fibers, for the purpose of stabilizing, supporting, and protecting farm income and prices; assisting in the maintenance of balanced and adequate supplies of such commodities; and facilitating their orderly distribution. The Corporation also makes available materials and facilities required in connection with the production and marketing of such commodities.<sup>1</sup>

The Corporation has an authorized capital stock of \$100 million held by the United States, and authority to borrow up to \$12 billion.

## PROGRAMS

The budget is based on five types of programs: (1) price support, (2) supply and foreign purchase, (3) storage facilities, (4) commodity export, and (5) special activities.

Obligations and expenditures for these programs include primarily loans, purchases, purchase agreements, carrying charges, incentive payments, operating and interest expenses, and advances and current obligations incident to special activities as authorized by specific legislation.

*Budget assumptions.*—The Corporation's budget estimates for 1956 and 1957 are based on the general assumptions (a) that employment, production, and national income will rise moderately both in 1956 and 1957 from the

<sup>1</sup> A more detailed statement describing the creation, purposes, authorities, management, and financial structure of the Corporation is contained in the budget of the United States, 1948, as supplemented by subsequent budgets.



1955 level; (b) that prices will change little, on the average, from the present level; (c) that developments in international relations will not be such as to affect Government civilian programs generally; (d) that exports of agricultural products will be higher than at present; (e) that yields will be in line with recent averages; and (f) that acreage allotments and marketing quotas will be in effect for the 1956 crops of peanuts, rice, certain kinds of tobacco, wheat and cotton, and acreage allotments will be in effect for the 1956 crop of corn in accordance with existing legislation.

In considering these estimates, it should be recognized that it is difficult to estimate requirements for the year ending June 30, 1957. They are dependent upon weather conditions, volume of agricultural production in this country and abroad, economic conditions generally, food needs in occupied areas and other foreign countries, availability of dollar exchange, and other complex and unpredictable factors.

**Price support.**—Price-support operations are carried out under the Corporation's charter powers, in conformity with the Agricultural Act of 1949 (63 Stat. 1051), the Agricultural Act of 1954 (68 Stat. 897), which includes the National Wool Act of 1954, and with respect to certain types of tobacco, in conformity with the act of July 28, 1945 (59 Stat. 506). Under the Agricultural Act of 1949, price support is mandatory for six basic commodities—corn, cotton, wheat, rice, peanuts, and tobacco—and specific nonbasic commodities, namely tung nuts, honey, milk, butterfat, and the products of milk and butterfat. Price support for wool and mohair is mandatory under the National Wool Act of 1954. Price support for other nonbasic agricultural commodities is discretionary. This program may also include operations to remove and dispose of or aid in the removal or disposition of surplus agricultural commodities for the purpose of stabilizing prices at levels not in excess of permissible price support levels.

Price support is made available through loans, purchase agreements, purchases, and other operations, and, in the case of wool and mohair, through incentive payments based on marketings. The producer's commodities serve as collateral for price-support loans. With limited exceptions, price-support loans are "nonrecourse" and the Corporation looks only to the pledged or mortgaged collateral for satisfaction of the loan. Purchase agreements generally are available during the same period that loans are available. By signing a purchase agreement, a producer receives an option to sell to the Corporation any quantity of the commodity which he may elect within the maximum specified in the agreement.

In all its price-support operations the Corporation utilizes normal trade facilities to the maximum extent practicable. In its lending activities the Corporation uses local banks, cooperatives, and other private lending agencies. Commercial storage facilities are used to a great extent in the storage of loan collateral and in the storage of stocks acquired by the Corporation.

Disposition of commodities acquired by the Corporation in its price-support operations is made in compliance with sections 202, 407, and 416 of the Agricultural Act of 1949, and other applicable legislation, particularly the Agricultural Trade Development and Assistance Act of 1954 (68 Stat. 454), and title I of the Agricultural Act of 1954 (68 Stat. 897).

## DATA ON PRICE-SUPPORT PROGRAM

[In millions]

	1955 actual	1956 estimate	1957 estimate
Loans made.....	\$2,357	\$2,773	\$1,684
Loans repaid.....	473	577	635
Loan collateral forfeited.....	2,123	2,384	1,835
Loans outstanding June 30.....	2,098	1,909	1,122
Acquisitions.....	3,418	3,697	3,089
Cost of goods sold.....	1,696	2,300	2,574
Donations.....	418	273	136
Inventory as of June 30 <sup>1</sup> .....	4,971	6,096	6,475
Investment in price support as of June 30.....	7,069	8,005	7,597
Net expenditures.....	2,874	1,089	935
Realized losses.....	799	817	720

<sup>1</sup> Includes balance of set-aside as provided in the Agricultural Act of 1954, as follows:

	1955 actual	1956 estimate	1957 estimate
Cotton (bales).....	0.9	2.2	1.4
Wheat (bushels).....	457.5	375	290

**Supply and foreign purchase program.**—This program is carried out under the authority contained in the Corporation's charter, particularly sections 5 (b) and (c) thereof. The Corporation procures foods, agricultural commodities, their products, and related materials to supply the requirements of Government agencies, foreign governments, and relief and rehabilitation agencies and to meet domestic requirements. Foods, agricultural commodities, and their products are procured or aid is given in their procurement to facilitate distribution or to meet anticipated requirements during periods of short supply. The Corporation may also, through purchases, loans, or other means, make available materials and facilities required in connection with the production and marketing of agricultural commodities.

Operations involving procurement for other Government agencies are conducted in accordance with procedures and policies reasonably calculated to assure compliance with section 4 of the act of July 16, 1943 (15 U. S. C. 713a-9), which requires that the Corporation be fully reimbursed for services performed, losses sustained, operating costs incurred, or commodities purchased or delivered to or on behalf of any other Government agency from the appropriate funds of such agency. Operations not subject to section 4 of such act may involve losses if such are necessary to the accomplishment of the objects of the particular operation.

The main activities now carried on are procurement of commodities for the International Cooperation Administration, and initial financing of certain programs authorized under the Defense Production Act to assure adequate supplies of strategic and critical materials.

**Storage facilities program.**—This program is carried out under the authority contained in the Corporation's charter, particularly sections 4 (h), 4 (m), and 5 (a). The Corporation (a) purchases and maintains granaries and equipment for care and storage of grain owned or controlled by the Corporation; (b) makes loans for the construction or expansion of farm storage facilities; (c) provides storage-use guaranties to encourage the construction of commercial storage facilities; and (d) undertakes other operations necessary to provide storage adequate to carry out the Corporation's programs.

**Commodity export program.**—The Corporation stimulates the export of agricultural commodities and products through sales, barter, payments, and other operations. This program is carried out under the authority contained in the Corporation's charter, particularly sections 5 (d) and 5 (f), sections 407 and 416 of the Agricultural Act of 1949, the International Wheat Agreement Act of 1949, the



## REVOLVING AND MANAGEMENT FUNDS—Continued

## PUBLIC ENTERPRISE FUNDS—Continued

## COMMODITY CREDIT CORPORATION—Continued

Agricultural Trade Development and Assistance Act of 1954, and title I of the Agricultural Act of 1954. In general, transactions involving foreign currencies are conducted pursuant to the Agricultural Trade Development and Assistance Act of 1954. However, other such transactions may be conducted under the charter authority.

Current obligations under the International Wheat Agreement and title I of the Agricultural Trade Development and Assistance Act of 1954, which operations are described in the estimates under the heading "Reimbursements to Commodity Credit Corporation," are paid by the Corporation. Appropriations have been authorized to reimburse the Corporation for its costs incident to these programs; pending such reimbursements the net costs of these programs are reflected in the records of the Corporation as accounts receivable.

In addition to exports under the International Wheat Agreement, wheat is being offered to the export trade for export as wheat or flour at competitive prices below domestic price but not below the applicable International Wheat Agreement price.

To the extent that operations under the commodity export program involve the disposal of price-support commodities held in Commodity Credit Corporation's inventories, such disposals are for accounting purposes treated as price-support program disposals.

*Special activities.*—These are miscellaneous activities carried out under authority of section 5 (g) of the Corporation's charter and specific statutory authorizations with respect thereto which are currently in effect or which may be subsequently enacted.

Illustrative of current activities of this nature are loans to the Secretary of Agriculture in connection with the agricultural conservation program as authorized by section 391 (c) of the Agricultural Adjustment Act of 1938, as amended (7 U. S. C. 1391); and advances to the Agricultural Marketing Service for grading tobacco and classing cotton as authorized by the acts of June 29, 1949, and August 31, 1951 (7 U. S. C. 440, 414a).

Current obligations for these activities are paid by the Corporation and appropriations have been authorized to reimburse the Corporation for its costs. Pending such reimbursements the net costs of these programs are reflected in the records of the Corporation as accounts receivable.

A more detailed description of the operations under these miscellaneous programs may be found in the budget under appropriations pertaining to the Agricultural Conservation Program Service, the Agricultural Research Service, the Agricultural Marketing Service, and the Commodity Stabilization Service, respectively.

*Expenses.*—There are a number of expenses which are not allocated to a specific program. These include interest on the capital stock of the Corporation and on borrowings from Treasury, administrative expenses, and other miscellaneous costs, including expenses of the agricultural stabilization and conservation county committees, lending agencies, and Federal Reserve banks in connection with the Corporation's programs.

Administrative expenses are for the operating staff, including the services of employees of the Commodity

Stabilization Service engaged in Commodity Credit Corporation activities, services performed by other agencies of the Department, costs of audit, and payments to the General Services Administration for space in the District of Columbia.

Expenses in connection with the acquisition, operation, maintenance, improvement, or disposition (including inspection, classing and grading work performed on a fee basis by Federal employees or Federal- or State-licensed inspectors) of property which the Corporation owns or in which it has an interest have been treated as program rather than administrative expenses since 1951.

Similarly, expenses of other Federal agencies whose services are utilized in the handling of Commodity Credit Corporation property are treated as program expenses. Such expenses would include the fleet storage operations of the Maritime Administration conducted intermittently since 1949 and the services rendered by the General Services Administration in connection with the strategic, critical, and other materials acquired by the Corporation.

The requested authorization excludes expenses in connection with the supply and foreign purchase program and the wool and mohair price-support program under the National Wool Act of 1954; the budget for 1957 contemplates full reimbursement for these expenses. Such reimbursements in connection with the supply and foreign purchase program will be obtained and used in 1957 in the same manner as in 1955 and 1956. Reimbursement for administrative expenses, as well as program expenses under the wool and mohair program will be obtained from appropriations made by the National Wool Act of 1954.

Estimates for 1957 include a limitation of \$31 million for costs of administration exclusive of reimbursements for services performed but including a reserve of \$1,860,000 for contingencies. Because of the increasing price-support workload during the current year, present indications are that the 1956 limitation of \$26 million will be insufficient. As a result, a supplemental estimate to increase this limitation will be submitted early in this session of Congress.

## FINANCING

The programs of the Commodity Credit Corporation are financed by capital stock, borrowings from the Treasury, guaranties to purchase loans held by lending agencies, restoration of capital impairment, and receipts from operations.

*Borrowing authority.*—On the basis of the budgetary assumptions heretofore described and consequent estimated program requirements, no additional borrowing authority is expected to be needed for 1957. On June 30, 1957, statutory borrowing authority in use—consisting of borrowings from the Treasury and guaranties to purchase loans held by lending agencies—is estimated to be \$11.2 billion, leaving a margin of \$0.8 billion available for additional commitments.

In connection with loan guaranties, the Corporation reserves a sufficient amount of its borrowing authority to purchase at any time all loans and other obligations held by lending agencies. During the fiscal year 1955 the Corporation continued its certificate-of-interest method of financing current crop loans on cotton. In addition, it also continued issuing certificates of interest against any commodity loans held by the Corporation. The budget estimate anticipates that this plan will continue in effect



during each of the fiscal years 1956 and 1957. Although this method of financing has no effect on obligations against the Corporation's borrowing authority, it postpones a portion of the actual cash expenditures of Federal funds until subsequent fiscal years.

Funds may also be borrowed from private lending agencies when the Corporation desires to utilize such agencies in carrying out a particular operation. All borrowing agreements with private lending agencies are subject to approval by the Secretary of the Treasury.

Interest on borrowings from the Treasury (and on capital stock) is paid in accordance with a policy of the Treasury Department that the rate shall be based upon the average interest rate on all outstanding marketable obligations (of comparable maturity date) of the United States as of the end of the preceding month.

#### POSITION WITH RESPECT TO BORROWING AUTHORITY AS OF JUNE 30

(In millions)

	1955 actual	1956 estimate	1957 estimate
Statutory borrowing authority.....	\$10,000	\$12,000	\$12,000
Deduct: Statutory obligations outstanding:			
Borrowings from Treasury.....	7,608	9,632	10,108
Obligations to purchase loans held by lending agencies (guaranteed by Commodity Credit Corporation).....	987	1,696	1,091
Total statutory obligations outstanding.....	8,595	11,328	11,199
Net statutory borrowing authority available.....	1,405	672	801

*Restoration of capital impairment.*—Pursuant to the act of March 8, 1938, as amended (15 U. S. C. 713a-1, 68 Stat. 30), an appraisal of the assets and liabilities of the Corporation is made each year by the Secretary of the Treasury to determine net worth. If the net worth is less than \$100 million, the Secretary of the Treasury restores the amount of capital impairment; if net worth is more than \$100 million the Corporation pays the surplus to the Treasury (15 U. S. C. 713a-2). The appraisal of assets is on the basis of cost to the Corporation—in effect, realized losses. The realized losses reflected on the books of the Corporation for 1955 were \$929,870,140. Of this amount, \$582,962 consisted of losses in connection with the 1953 emergency feed program for which the Corporation received reimbursement after June 30, 1955, from a specific appropriation made for this purpose. The balance, \$929,287,178, represents the capital impairment for which restoration is included in the 1957 estimates.

*Receipts from operations.*—These include proceeds from sales of commodities, loan repayments, interest income, reimbursements for special activities financed by the Corporation and miscellaneous income, refunds, and collections.

*Loan and inventory operations and realized losses.*—Schedule 1 shows for 1955, 1956, and 1957 the actual and estimated loan and inventory operations and realized losses, by commodities and programs.

#### CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION

	1955 actual	1956 estimate	1957 estimate
Price support program (Commodity Credit Corporation non-recourse loan, purchase, and payment programs):			
Income:			
Sales of commodities <sup>1</sup> .....	\$1,268,856,731	\$1,603,086,684	\$1,692,391,000
Non-fund transactions: Barter and exchange for strategic materials.....	70,972,153	200,000,000	300,000,000
Recovery of prior year costs—school milk program.....		5,000,000	

#### CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION—con.

	1955 actual	1956 estimate	1957 estimate
Price support program—Continued			
Income—Continued			
Other program income.....	\$1,424,332	\$27,500	\$11,500
Total income.....	1,341,253,216	1,808,114,184	1,992,402,500
Expenses:			
Cost of sales <sup>1</sup> .....	1,696,458,921	2,299,901,440	2,574,015,902
School milk program.....	22,229,557	50,000,000	
Donations of commodities.....	418,144,141	272,620,928	135,806,034
Increase or decrease (—) in allowances for losses on loans, inventories and purchase contracts.....	1,386,048,121	—278,040,564	—17,388,761
Other program costs.....	3,482,061	2,668,500	2,262,000
Total expenses.....	3,526,362,801	2,347,150,304	2,694,695,175
Net loss (—), price support program.....	—2,185,109,585	—539,036,120	—702,292,675
Supply and foreign purchase program:			
Sales of commodities and other income.....	59,065,028	30,159,208	20,566,508
Cost of sales and other expenses.....	58,224,046	30,159,208	20,540,330
Net income, supply and foreign purchase program.....	840,982		26,178
Storage facilities program: <sup>2</sup> Net loss (—).....	—120,875	—425,000	—400,000
Commodity export program:			
Sales of commodities.....	109,178,656	80,000,000	75,000,000
Cost of sales (transferred from price support program).....	158,753,591	105,000,000	92,500,000
Net loss (—), commodity export program.....	—49,574,935	—25,000,000	—17,500,000
Subsidy program (liquidation): Prior year adjustments (—).....	—184,811		
Emergency feed program (liquidation):			
Sales of commodities.....	1,522,023		
Cost of sales (transferred from price support program).....	2,104,985		
Net loss (—), emergency feed program <sup>3</sup> .....	—582,962		
Adjustment for interprogram sales: <sup>4</sup>			
Sales of commodities.....	—160,017,717	—105,000,000	—92,500,000
Cost of sales.....	—160,017,717	—105,000,000	—92,500,000
Net income or loss (—).....			
Other income and expenses:			
Income: Interest and other income.....	17,101,613	33,024,848	52,959,172
Expenses:			
Administrative:			
Subject to limitation.....	24,440,515	30,264,000	31,000,000
Reimbursable.....	4,752,966	5,764,848	5,914,172
Nonadministrative and other.....	9,306,256	11,479,463	10,993,503
Interest expense—Treasury.....	59,787,951	165,000,000	250,000,000
Increase or decrease (—) in allowance for losses on accounts and notes receivable.....	—1,459,340	555,417	635,000
Total expenses.....	96,828,348	213,063,728	298,542,675
Net loss (—), other income and expenses.....	—79,726,735	—180,038,880	—245,583,503
Net loss (—), all operations <sup>5</sup> .....	—2,314,458,921	—744,500,000	—965,750,000
Analysis of deficit (—):			
Balance at beginning of year.....	—1,092,306,419	—3,406,765,340	—4,107,714,882
Net loss (—) for the year.....	—2,314,458,921	—744,500,000	—965,750,000
Appropriation for restoration of capital impairment.....		1,634,659	929,287,178
Recovery of emergency feed program costs.....		41,915,799	
Balance at end of year.....	—3,406,765,340	—4,107,714,882	—4,144,177,794

<sup>1</sup> Sales under the price support program include sales of agricultural commodities under charter contracts and sales of strategic materials and other commodities acquired under charter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.

<sup>2</sup> Operation and maintenance costs applicable to owned storage structures are reflected as carrying charges on the commodities stored.

<sup>3</sup> Public Law 40 (84th Cong.) provides for reimbursement as of July 1, 1955, of current and prior year losses under this program.

<sup>4</sup> Adjustment to eliminate the market value of agricultural commodities transferred from the price support program to the commodity export program and emergency feed program.

<sup>5</sup> Amounts recovered or to be recovered from appropriations for special activities authorized by the Congress are not reflected as losses.

## REVOLVING AND MANAGEMENT FUNDS—Continued

## PUBLIC ENTERPRISE FUNDS—Continued

## COMMODITY CREDIT CORPORATION—Continued

## CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION—continued

	1955 actual	1956 estimate	1957 estimate
<b>Assets:</b>			
<b>Current:</b>			
<b>Cash:</b>			
With Treasury and banks:			
Revolving fund.....	\$9,605,656	\$10,351,406	\$2,680,039
Working fund advances to other agencies.....	13,035,758	11,387,320	908,200
In transit.....	9,240,643	9,000,000	9,000,000
Total cash.....	31,882,057	30,738,726	12,588,239
<b>Inventories (at cost):</b>			
Less allowance for losses.....	4,989,038,101	6,108,658,512	6,478,008,670
Net inventories.....	2,909,690,099	4,169,976,941	4,452,810,124
<b>Accounts receivable—recoverable from subsequent appropriations.....</b>	472,023,539	1,326,599,027	1,726,807,027
<b>Other current assets:</b>			
Less allowances for losses.....	289,404,282	188,885,000	295,550,000
Net other current assets.....	61,890,702	11,425,000	12,060,000
<b>Loans receivable:</b>			
Held by Commodity Credit Corporation.....	1,158,196,296	272,921,284	113,502,030
Held by lending agencies (guaranteed by Commodity Credit Corporation) (see contra).....	986,634,282	1,695,600,000	1,090,865,000
Total loans receivable.....	2,144,830,578	1,968,521,284	1,204,367,030
Less allowance for losses.....	292,689,000	206,335,986	102,430,250
Net loans receivable.....	1,852,141,578	1,762,185,298	1,101,936,780
<b>Land, structures, and equipment (net).....</b>	145,931,491	164,130,126	181,900,126
<b>Total assets.....</b>	5,639,182,344	7,631,090,118	7,759,532,296
<b>Liabilities:</b>			
<b>Current:</b>			
Obligation to purchase loans held by lending agencies (contra).....	986,634,282	1,695,600,000	1,090,865,000
Other.....	351,313,402	311,205,000	604,845,000
<b>Total liabilities.....</b>	1,337,947,684	2,006,805,000	1,695,710,000
<b>Investment of U. S. Government:</b>			
Capital stock.....	100,000,000	100,000,000	100,000,000
Borrowings from Treasury.....	7,608,000,000	9,632,000,000	10,108,000,000
Deficit (—).....	—3,406,765,340	—4,107,714,882	—4,144,177,704
<b>Total investment of U. S. Government.....</b>	4,301,234,660	5,624,285,118	6,063,822,296

## BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AND RECEIPTS AVAILABLE</b>			
<b>New authorizations:</b>			
Appropriation for restoration of capital impairment.....		\$1,634,659	\$929,287,178
To borrow from Treasury.....	\$1,500,000,000	2,000,090,090	
<b>Total new authorizations.....</b>	1,500,000,000	2,001,634,659	929,287,178
<b>Receipts from operations:</b>			
<b>Regular:</b>			
<b>Price support program:</b>			
Repayment of loans to CCC.....	361,937,562	445,387,544	515,311,712
Issuance of certificates of interest.....	1,169,456,000	800,000,000	800,000,000
Sales of commodities.....	1,268,856,731	1,603,086,684	1,692,391,000
National Wool Act reimbursement.....	187,684	25,390,728	
Other.....	6,976,960	5,877,500	761,500
<b>Total price-support program.....</b>	2,807,227,253	2,854,539,412	3,033,854,940
<b>Supply and foreign purchase program.....</b>	59,065,028	30,159,208	20,566,508
<b>Storage facilities program:</b>			
Repayments of loans to Commodity Credit Corporation.....	8,486,007	13,376,308	15,000,000
Other.....	106,119	6,365	
<b>Total storage facilities program.....</b>	8,592,126	13,382,673	15,000,000

## BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AND RECEIPTS AVAILABLE—continued</b>			
<b>Receipts from operations—Continued</b>			
<b>Regular—Continued</b>			
Commodity export program.....	—\$49,574,935	—\$25,000,000	—\$17,500,000
Decrease in selected working capital other than cash.....		60,410,880	186,975,000
Interest income, administrative expense reimbursements, and other.....	17,101,613	33,024,848	52,959,172
<b>Total regular operations.....</b>	2,842,411,085	2,966,517,021	3,291,855,620
<b>Special activities:</b>			
Repayment of loan to Secretary of Agriculture for conservation purposes.....	62,143,881	32,450,000	18,450,000
Reimbursements for prior years' cost: Eradication of foot-and-mouth disease.....		5,788,897	1,269,330
Eradication of brucellosis in cattle.....		841,303	11,791,624
Cotton classing and tobacco grading.....	441,655	75,000	367,740
Transfer of hay and pasture seed to land-administering agencies.....			184,678
International Wheat Agreement.....		57,378,551	101,130,155
Commodity grants for emergency assistance to friendly peoples:			
Pakistan: Wheat.....		69,322,990	
Public Law 216 (83d Cong.).....		9,537,154	
Public Law 480 (83d Cong.) title I.....			88,628,927
Sales for foreign currencies, Public Law 480 (83d Cong.), title I:			
From appropriated funds.....			67,477,228
By sales of foreign currencies for dollars.....		10,000,000	25,000,900
Emergency feed program:			
From appropriated funds.....		41,915,799	
By sales of commodities.....	257,897		
<b>Total special activities.....</b>	62,843,433	227,309,694	314,299,682
<b>Total receipts from operations.....</b>	2,905,254,518	3,193,826,715	3,606,155,302
<b>Balance brought forward:</b>			
Unobligated (authorization to borrow from Treasury).....	1,942,505,227	1,135,000,998	390,948,726
Obligated:			
Cash.....	16,940,786	31,882,057	30,738,726
Authorization to borrow from Treasury.....	2,377,494,773	1,256,999,002	1,977,051,274
<b>Total budget authorizations and receipts available.....</b>	8,742,195,304	7,619,343,431	6,934,181,206
<b>EXPENDITURES AND BALANCES</b>			
<b>Gross budget expenditures:</b>			
<b>Regular operations:</b>			
<b>Price support program:</b>			
Direct loans made.....	466,600,092	502,694,535	298,792,500
Loans purchased from lending agencies.....	2,561,640,374	1,691,233,296	1,869,360,000
Redemption of certificates of interest.....	1,409,596,190	538,010,000	800,000,000
Purchases of commodities and other costs.....	1,218,473,793	1,101,650,853	939,876,452
National Wool Act, incentive payment and other costs.....	187,684	58,038,069	59,199,671
School milk program.....	22,229,557	50,000,000	
Other.....	2,390,123	1,518,500	1,182,000
<b>Total price support program.....</b>	5,681,117,813	3,943,145,253	3,968,410,623
<b>Supply and foreign purchase program.....</b>	17,110,843	25,606,157	10,850,930
<b>Storage facilities program:</b>			
Direct loans made.....	15,916,482	14,250,000	13,250,000
Loans purchased from lending agencies.....	65,158	50,986	75,000
Purchase of storage facilities and other costs.....	27,275,115	31,925,000	33,400,000
<b>Total storage facilities program.....</b>	43,256,755	46,225,986	46,725,000
<b>Subsidy program (liquidation).....</b>	184,811		
<b>Expenses:</b>			
<b>Administrative:</b>			
Subject to limitation.....	24,440,515	30,264,000	31,000,000
Reimbursable.....	4,752,966	5,764,848	5,914,172
Nonadministrative and other.....	9,306,256	11,479,463	10,993,503
Interest—Treasury.....	59,787,951	165,000,000	250,000,000
Increase in selected working capital other than cash.....	99,970,575		
<b>Total regular operations.....</b>	5,939,928,485	4,227,485,707	4,323,894,228



## BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>EXPENDITURES AND BALANCES—continued</b>			
<b>Gross budget expenditures—Continued</b>			
<b>Special activities:</b>			
Loan to Secretary of Agriculture for agricultural conservation purposes.....	\$43,450,000	\$43,450,000	\$43,450,000
Eradication of foot-and-mouth disease.....	1,301,215	2,005,387	49,190
Eradication of brucellosis in cattle.....	12,405,994	15,276,933	375,000
Cotton classing and tobacco grading.....	434,767	256,981	432,098
Transfer of hay and pasture seed to Federal land-administering agencies.....	149,659	35,019	—
International Wheat Agreement costs.....	99,718,111	87,050,840	2,105,875
Commodity grants for emergency assistance to Pakistan and other friendly peoples.....	4,508,392	—	—
Agricultural Trade Development and Assistance Act:			
Title I—Sales for foreign currencies.....	129,520,160	737,708,805	556,031,163
Title II—Commodity grants for emergency assistance to friendly peoples.....	86,896,464	107,335,033	103,255,413
Total special activities.....	378,384,762	993,118,998	705,698,739
Total gross budget expenditures.....	6,318,313,247	5,220,604,705	5,029,592,967
<b>Balance carried forward:</b>			
Unobligated (authorization to borrow from Treasury).....	1,135,000,998	390,948,726	353,863,239
Obligated:			
Cash.....	31,882,057	30,738,726	12,588,239
Authorization to borrow from Treasury.....	1,256,999,002	1,977,051,274	1,538,136,761
Total expenditures and balances.....	8,742,195,304	7,619,343,431	6,934,181,206

## BUDGET EXPENDITURES

Gross budget expenditures.....	\$6,318,313,247	\$5,220,604,705	\$5,029,592,967
Receipts from operations.....	2,905,254,518	3,193,826,715	3,606,155,302
Net budget expenditures.....	3,413,058,729	2,026,777,990	1,423,437,665
<b>Distribution of net budget expenditures:</b>			
<b>Out of budgetary authorization (authorization to borrow from Treasury):</b>			
Current.....	—	1,634,659	929,287,178
Prior.....	3,428,000,000	2,024,000,000	476,000,000
Out of receipts and balances of the fund.....	-14,941,271	1,143,331	18,150,487

## LIMITATION ON ADMINISTRATIVE EXPENSES

## Administrative Expenses, Commodity Credit Corporation

Nothing in this Act shall be so construed as to prevent the Commodity Credit Corporation from carrying out any activity or any program authorized by law: *Provided*, That not to exceed **[\$26,000,000]** **\$31,000,000** shall be available for administrative expenses of the Corporation *including uniforms, or allowances therefor, as authorized by the Act of September 1, 1954 (5 U. S. C. 2131), as amended* **[\$934,914]** of this authorization shall be available only to expand and strengthen the sales program of the Corporation pursuant to authority contained in the Corporation's charter: *Provided further*, That **[\$934,914]** not less than 6 per centum of this authorization shall be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such time as may become necessary to carry out program operations: *Provided further*, That all necessary expenses (including legal and special services performed on a contract or fee basis, but not including other personal services) in connection with the acquisition, operation, maintenance, improvement, or disposition of any real or personal property belonging to the Corporation or in which it has an interest, including expenses of collections of pledged collateral, shall be considered as nonadministrative expenses for the purposes hereof.

**For the purpose of assisting the Commodity Credit Corporation in selling its agricultural commodities, the position of sales manager is hereby authorized in grade 17 of the General Schedule of the Classification Act of 1949, as amended, in accordance with the standards and procedures of that Act.** (7 U. S. C. 624, 1282, 1301, 1385, 1391c, 1421-1450, 1641-1642, 1741-1747, 1781-1787;

15 U. S. C. 712a, 713a-1-10, 714-714o; 31 U. S. C. 841, 846-852, 866-868c, 869; 50 U. S. C. app. 1917; 69 Stat. 44, 65, 350, 634, 721; Department of Agriculture and Farm Credit Administration Appropriation Act, 1956; Supplemental Appropriation Act, 1956.)

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Programs by activities:</b>			
1. Price support program.....	\$22,872,167	\$28,676,000	\$27,552,000
2. Storage facilities program.....	1,516,102	1,494,000	1,494,000
3. Commodity export program.....	52,246	94,000	94,000
Contingency reserve.....	—	—	1,860,000
Total administrative expenses.....	24,440,515	30,264,000	31,000,000
<b>Financing:</b>			
Unobligated balance no longer available.....	849,485	700,000	—
<b>Limitation:</b>			
Proposed increase in limitation due to increased workload and pay increases.....	25,290,000	26,000,000	31,000,000
	—	4,964,000	—

## ADMINISTRATIVE EXPENSES BY OBJECTS

	1955 actual	1956 estimate	1957 estimate
<b>COMMODITY STABILIZATION SERVICE</b>			
Total number of permanent positions.....	4,425	5,325	5,089
Full-time equivalent of all other positions.....	6	8	10
Average number of all employees.....	3,904	4,735	4,472
Number of employees at end of year.....	4,225	5,100	4,790
<b>Average salaries and grades:</b>			
<b>General schedule grades:</b>			
Average salary.....	\$4,192	\$4,499	\$4,523
Average grade.....	GS-5.3	GS-5.3	GS-5.4
01 Personal services:			
Permanent positions.....	\$16,213,025	\$20,490,550	\$19,607,737
Positions other than permanent.....	28,494	50,399	91,064
Regular pay above 52-week base.....	65,571	80,105	—
Payment above basic rates.....	687,254	528,334	400,050
Total personal services.....	16,994,344	21,149,388	20,098,851
02 Travel.....	704,224	1,061,730	1,044,000
03 Transportation of things.....	89,885	86,400	86,000
04 Communication services.....	652,421	653,000	653,000
05 Rents and utility services.....	1,187,392	1,627,190	1,931,300
06 Printing and reproduction.....	579,088	763,700	770,700
07 Other contractual services.....	175,012	158,697	151,039
Services performed by other agencies.....	3,253,317	3,788,995	3,827,840
08 Supplies and materials.....	231,721	312,100	296,170
09 Equipment.....	—	2,700	1,600
13 Refunds, awards, and indemnities.....	17,697	10,200	10,200
15 Taxes and assessments.....	72,239	66,700	67,100
Contingency reserve.....	—	—	1,860,000
Total, Commodity Stabilization Service.....	23,957,340	29,680,800	30,797,800
<b>ALLOCATION TO AGRICULTURAL MARKETING SERVICE</b>			
Total number of permanent positions.....	94	82	61
Average number of all employees.....	76	88	31
Number of employees at end of year.....	112	100	70
<b>Average salaries and grades:</b>			
<b>General schedule grades:</b>			
Average salary.....	\$5,095	\$5,168	\$5,075
Average grade.....	GS-7.4	GS-6.9	GS-6.8
01 Personal services:			
Permanent positions.....	\$401,274	\$477,545	\$158,300
Positions other than permanent.....	250	—	—
Regular pay above 52-week base.....	1,681	2,455	—
Payment above basic rates.....	2,285	2,800	1,600
Total personal services.....	405,490	482,800	159,900
02 Travel.....	52,593	61,500	24,100
03 Transportation of things.....	770	1,800	900
04 Communication services.....	9,554	9,700	3,300
05 Rents and utility services.....	1,506	4,300	1,500
06 Printing and reproduction.....	2,623	7,600	5,400
07 Other contractual services.....	6,048	7,900	2,800
08 Supplies and materials.....	2,348	5,300	2,600
13 Refunds, awards, and indemnities.....	1,402	1,300	1,000
15 Taxes and assessments.....	841	1,000	700
Total, Agricultural Marketing Service.....	483,175	583,200	202,200
Total administrative expenses.....	24,440,515	30,264,000	31,000,000

## REVOLVING AND MANAGEMENT FUNDS—Continued

COMMODITY CREDIT CORPORATION—SCHEDULE 1.—*Loan and inventory operations and realized losses*

[Fiscal years 1955 actual; 1956 and 1957 estimated]

Program, commodity, and fiscal year	Loan operations					Inventory operations				Memoran- dum: Realized gain or loss (—)
	Loans out- standing at beginning of year	New loans made	Repayments	Collateral acquired and writeoffs	Loans out- standing at end of year	Beginning inventory	Acquisitions	Dispositions <sup>1</sup>	Ending in- ventory	
Price Support Program										
Basic commodities:										
Corn:										
1955.....	\$640,506,169	\$320,815,801	\$42,370,516	\$449,400,510	\$469,550,944	\$595,484,903	\$651,317,374	\$260,832,599	\$985,969,678	—\$75,735,525
1956.....	469,550,944	395,400,000	19,402,154	367,058,790	478,490,000	985,969,678	544,630,322	217,840,000	1,312,760,000	—49,059,000
1957.....	478,490,000	420,000,000	27,450,000	458,040,000	413,000,000	1,312,760,000	647,787,000	277,617,000	1,682,930,000	—78,405,000
Cornmeal:										
1955.....							113,085	113,085		11,700
1956.....							204,000	204,000		
1957.....							204,000	204,000		
Cotton:										
Extra long staple:										
1955.....	23,292,893	11,963,321	119,321	517	35,136,376					26
1956.....	35,136,376	6,750,000	1,370,000	35,136,376	5,380,000		35,558,000	8,596,600	26,961,400	—1,296,600
1957.....	5,380,000	6,750,000	1,365,000	5,380,000	5,385,000	26,961,400	5,753,000	11,430,700	21,283,700	—1,430,700
Upland:										
1955.....	1,133,720,659	408,272,651	172,547,974	275,084,179	1,094,361,157	20,432,452	292,313,017	23,176,265	<sup>2</sup> 289,569,204	821,088
1956.....	1,094,361,157	1,072,500,000	266,669,250	1,075,191,907	825,000,000	289,569,204	1,108,566,993	248,214,197	<sup>2</sup> 1,149,922,000	—30,319,217
1957.....	825,000,000	300,000,000	232,500,000	742,500,000	150,000,000	1,149,922,000	789,951,000	495,955,000	<sup>2</sup> 1,443,918,000	—48,728,500
Peanuts:										
1955.....	4,125,864	1,489,435	5,103,751	511,548		3,837,849	428,565	4,266,414		—2,103,083
1956.....		55,080,000	11,016,000	44,064,000			44,564,000	37,137,000	7,427,000	—19,169,000
1957.....		34,110,000	11,370,000	22,740,000		7,427,000	23,390,000	19,247,000	11,570,000	—9,647,000
Rice:										
Milled:										
1955.....						1,821,629	114,035,851	10,357,503	105,499,977	—4,909,963
1956.....						105,499,977	146,756,023	90,262,500	161,993,500	—28,426,000
1957.....						161,993,500	60,774,500	65,780,000	156,988,000	—14,450,000
Rough:										
1955.....	1,379,440	84,543,413	3,943,687	70,546,447	11,432,719	9,846,870	114,012,659	104,390,545	19,468,984	15,116,807
1956.....	11,432,719	65,240,000	27,960,000	48,712,719		19,468,984	91,860,016	51,601,000	59,728,000	—1,315,000
1957.....		32,400,000	20,250,000	12,150,000		59,728,000	22,764,000	50,532,000	31,960,000	—7,098,000
Tobacco:										
1955.....	254,242,481	203,526,587	54,777,144	435,475	402,556,449	1,022,068	20,708	951,038	91,738	—497,599
1956.....	402,556,449	246,960,000	86,063,707	1,150,000	562,302,742	91,738	1,400	93,138		—1,574,000
1957.....	562,302,742	136,300,000	183,146,712	1,080,000	514,376,030					—1,477,000
Wheat:										
1955.....	198,012,013	858,098,338	89,234,812	934,629,476	32,246,063	1,971,096,318	1,292,352,584	716,469,405	<sup>2</sup> 2,546,979,497	—127,728,279
1956.....	32,246,063	520,427,425	52,000,000	498,863,488	1,810,000	2,546,979,497	763,805,503	817,869,000	<sup>2</sup> 2,492,916,000	—164,871,000
1957.....	1,810,000	362,000,000	45,250,000	316,750,000	1,810,000	2,492,916,000	546,372,000	848,362,000	<sup>2</sup> 2,190,926,000	—234,832,000
Wheat flour:										
1955.....							4,889,005	4,889,005		483,682
1956.....							8,075,000	8,075,000		25,000
1957.....							8,375,000	8,375,000		25,000
Total basic:										
1955.....	2,255,279,519	1,888,709,546	368,097,205	1,730,608,152	2,045,283,708	2,603,542,089	2,469,482,848	1,125,445,859	3,947,579,078	—194,541,146
1956.....	2,045,283,708	2,362,357,425	464,481,111	2,070,177,280	1,872,982,742	3,947,579,078	2,744,021,257	1,479,892,435	5,211,707,900	—296,004,817
1957.....	1,872,982,742	1,291,560,000	521,331,712	1,558,640,000	1,084,571,030	5,211,707,900	2,105,370,500	1,777,502,700	5,539,575,700	—396,043,200
Mandatory nonbasic commodi- ties:										
Honey:										
1955.....	16,884	148,743	152,756	—1,313	14,184	111,842	33,006	144,848		—5,302
1956.....	14,184	200,000	164,184	50,000			150,000	150,000		
1957.....		400,000	100,000	300,000			640,000	640,000		
Milk and butterfat:										
Butter:										
1955.....						304,309,114	70,081,002	205,043,527	169,346,589	—173,314,388
1956.....						169,346,589	60,200,000	189,646,589	39,900,000	—110,346,589
1957.....						39,900,000	70,000,000	109,900,000		—26,570,000

<sup>1</sup> Sales under the price-support program include sales of agricultural commodities under barter contracts and sales of strategic and critical materials and other commodities acquired under such barter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.

<sup>2</sup> Includes balance of set-aside of commodities as provided in the Agricultural Act of 1954, as follows:

	1955	1956	1957		1955	1956	1957
Cotton (bales).....	939,982	2,200,000	1,350,000	Wheat (bushels).....	457,545,728	375,000,000	290,000,000



COMMODITY CREDIT CORPORATION—SCHEDULE 1.—*Loan and inventory operations and realized losses*—Continued

Program, commodity, and fiscal year	Loan operations					Inventory operations				Memoran- dum: Realized gain or loss (—)
	Loans out- standing at beginning of year	New loans made	Repayments	Collateral acquired and writeoffs	Loans out- standing at end of year	Beginning inventory	Acquisitions	Dispositions <sup>1</sup>	Ending in- ventory	
Price Support Program—Con.										
Mandatory nonbasic commodi- ties—Continued										
Butter oil:										
1955.....						\$782,694	\$54,806,153	\$48,745,410	\$6,843,437	—\$45,887,862
1956.....						6,843,437	46,850,000	53,693,437		—50,693,437
1957.....							24,550,000	24,550,000		—21,550,000
Cheese:										
1955.....						167,598,056	62,155,396	89,879,027	139,874,425	—76,107,510
1956.....						139,874,425	55,475,000	124,693,391	70,656,034	—72,384,391
1957.....						70,656,034	57,400,000	113,656,034	14,400,000	—48,026,034
Milk, nonfat dry:										
1955.....						71,927,874	95,122,416	134,182,279	32,868,011	—117,784,928
1956.....						32,868,011	96,700,000	103,068,011	26,500,000	—83,330,011
1957.....						26,500,000	93,300,000	103,300,000	16,500,000	—89,850,000
Surplus fluid milk to Armed Forces and Administra- tor of Veterans' Affairs:										
1955.....							4,301,031	4,301,031		—4,301,031
1956.....							11,000,000	11,000,000		—11,000,000
1957.....							5,500,000	5,500,000		—5,500,000
To increase the consumption of fluid milk in schools:										
1955.....										—22,229,557
1956.....										—45,000,000
Whey products:										
1955.....		\$3,967,905	\$102,775	\$3,865,130			4,356,642	953,529	3,403,113	—643,917
1956.....						3,403,113	20,000	3,423,113		—2,300,208
Potatoes (liquidation) 1955.....										—315,283
Tung oil:										
1955.....	\$7,853,329	1,091,785	498,548	7,780,013	\$666,553	1,566,593	8,322,114	1,518,226	8,370,481	—295,353
1956.....	666,553	200,000	765,810	743	100,000	8,370,481	221,006	7,597,705	993,782	—563,811
1957.....	100,000	6,000,000	1,100,000		5,000,000	993,782	5,000	998,782		—101,782
Wool:										
1955.....	11,292,518	22,073,013	7,489,850	25,875,681		83,631,685	28,077,355	9,648,882	102,060,158	—732,017
1956.....						102,060,158	2,528,000	34,335,000	70,253,158	—6,835,000
1957.....						70,253,158	1,743,750	52,830,000	19,166,908	—11,580,000
Total mandatory nonbasic:										
1955.....	19,162,731	27,281,446	8,243,929	37,519,511	680,737	629,927,858	327,255,115	494,416,759	462,766,214	—441,617,148
1956.....	680,737	400,000	929,994	50,743	100,000	462,766,214	273,144,006	527,607,246	208,302,974	—382,453,447
1957.....	100,000	6,400,000	1,200,000	300,000	5,000,000	208,302,974	253,138,750	411,374,816	50,066,908	—203,177,816
Other nonbasic commodities:										
Barley:										
1955.....	22,366,360	104,798,474	21,818,668	91,036,044	14,310,122	19,566,606	127,453,644	51,909,422	95,110,828	—13,624,434
1956.....	14,310,122	81,940,000	21,092,546	64,798,000	10,359,576	95,110,828	97,330,000	88,192,828	104,248,000	—26,573,241
1957.....	10,359,576	74,400,000	19,540,000	54,989,576	10,230,000	104,248,000	83,358,000	87,796,000	99,810,000	—23,096,000
Beans, dry edible:										
1955.....	930,306	25,529,154	4,859,398	20,931,888	668,174	14,182,832	23,812,331	17,171,300	20,823,863	—4,249,432
1956.....	668,174	26,400,000	8,591,174	17,906,000	571,000	20,823,863	23,086,000	19,247,000	24,662,863	—4,330,000
1957.....	571,000	19,500,000	9,825,000	9,758,000	488,000	24,662,863	13,057,137	18,711,000	19,009,000	—4,010,000
Cottonseed and products:										
Cottonseed:										
1955.....		3,512	3,512							1,073
1956.....		92,000	92,000				925,000	925,000		—45,000
1957.....		92,000	92,000				925,000	925,000		—45,000
Cottonseed oil:										
Crude:										
1955.....						115,256	13,882,986	12,992,119	1,006,123	—2,576,913
1956.....						1,006,123	4,037,091	5,043,214		—718,187
Refined:										
1955.....						157,611,106	25,950,340	142,853,355	40,708,091	—54,760,906
1956.....						40,708,091	2,576,697	43,284,788		—4,817,263
Cottonseed meal:										
1955.....						5,842,401	16,034,078	21,422,475	454,004	—970,475
1956.....						454,004	3,708,940	4,162,944		—786,621
Cotton linters:										
1955.....						61,055,615	9,535,683	1,070,728	69,520,570	—362,467
1956.....						69,520,570	3,855,833	15,566,242	57,810,161	—9,002,434
1957.....						57,810,161	1,927,107	24,564,420	35,172,848	—14,964,420

<sup>1</sup> Sales under the price support program include sales of agricultural commodities under harter contracts and sales of strategic and critical materials and other commodities acquired under such harter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.

## REVOLVING AND MANAGEMENT FUNDS—Continued

COMMODITY CREDIT CORPORATION—SCHEDULE 1.—*Loan and inventory operations and realized losses*—Continued

Program, commodity, and fiscal year	Loan operations					Inventory operations				Memorandum: Realized gain or loss (—)
	Loans outstanding at beginning of year	New loans made	Repayments	Collateral acquired and writeoffs	Loans outstanding at end of year	Beginning inventory	Acquisitions	Dispositions <sup>1</sup>	Ending inventory	
<b>Price Support Program—Con.</b>										
Other nonbasic commodities—Continued										
Eggs (liquidation): 1955.....										—\$4,793
Flaxseed:										
1955.....	\$11,290,604	\$22,280,765	\$977,937	\$29,678,542	\$2,914,890	\$36,268,370	\$42,886,789	\$56,249,757	\$22,905,402	—15,404,163
1956.....	2,914,890	24,145,110	4,365,000	21,240,000	1,455,000	22,905,402	32,084,598	35,730,000	19,260,000	—4,804,000
1957.....	1,455,000	22,960,000	4,305,000	20,110,000		19,260,000	30,495,000	29,150,000	20,605,000	—4,675,000
Linseed oil:										
1955.....						6,962,350	17,557,940	14,895,462	9,624,828	—7,437,378
1956.....						9,624,828	13,765,100	23,389,928		—8,625,828
1957.....							11,750,000	11,750,000		—3,981,000
Naval stores:										
Rosin:										
1955.....	2,707,314	2,287,310	2,324,047	2,670,577		23,458,096	2,927,936	1,175,772	25,210,260	127,903
1956.....		2,932,000	1,954,500		977,500	25,210,260	243,036	4,879,296	20,574,000	471,604
1957.....	977,500	6,842,500	7,820,000			20,574,000	213,000	1,153,000	19,634,000	98,000
Turpentine:										
1955.....	368,270	375,713	375,713	368,270		1,177,157	436,334	209,582	1,403,909	4,715
1956.....		520,000	520,000			1,403,909	50,107	636,016	818,000	—17,819
1957.....		1,040,000	1,040,000			818,000	40,000		858,000	
Oats:										
1955.....	19,741,640	46,895,873	12,854,444	38,080,079	15,692,990	14,930,623	58,449,289	38,816,955	34,562,957	—14,093,680
1956.....	15,692,990	52,960,000	12,764,528	44,360,462	11,528,000	34,562,957	63,438,043	48,213,000	49,788,000	—14,923,000
1957.....	11,528,000	39,000,000	9,430,000	29,848,000	11,250,000	49,788,000	48,806,000	57,324,000	41,270,000	—16,390,000
Olive oil: 1955.....		30		30		1,171,209	11,160	1,182,369		—409,600
Peas, dry edible (liquidation): 1955.....										2,969
Rye:										
1955.....	3,112,944	8,227,972	167,524	8,853,355	2,320,037	3,840,210	13,679,943	7,674,612	9,845,541	—2,653,627
1956.....	2,320,037	8,850,000	590,783	9,989,254	590,000	9,845,541	13,924,459	10,065,000	13,705,000	—3,790,000
1957.....	590,000	8,700,000	580,000	8,130,000	580,000	13,705,000	12,434,000	9,089,000	17,050,000	—3,170,000
Rye flour: 1955.....							86,975	86,975		7,080
Seeds:										
Hay and pasture:										
1955.....						37,398,831	430,364	20,653,623	17,175,572	—4,238,925
1956.....						17,175,572	196,000	12,161,572	5,210,000	—5,323,872
1957.....						5,210,000	100,000	5,310,000		—1,735,000
Winter cover crop:										
1955.....	30,079		10,008	20,071		4,959,655	121,688	1,443,884	3,637,459	—61,863
1956.....						3,637,459	60,000	3,697,459		—360,759
Sorghums, grain:										
1955.....	1,773,814	147,561,731	4,484,096	144,056,806	794,643	46,157,545	175,606,963	80,047,141	141,717,367	—42,138,888
1956.....	794,643	110,098,060	5,091,939	105,193,238	607,466	141,717,367	161,324,633	142,782,000	160,260,000	—52,317,000
1957.....	607,466	112,798,000	9,898,000	103,409,466	98,000	160,260,000	164,952,000	138,197,000	187,015,000	—40,167,000
Soybeans:										
1955.....	525,076	83,401,784	49,209,399	19,568,492	15,148,969	54,370	21,243,393	3,187,793	18,109,970	—59,366
1956.....	15,148,969	102,000,000	56,913,969	50,035,000	10,200,000	18,109,970	57,925,030	32,745,000	43,290,000	—2,655,000
1957.....	10,200,000	100,500,000	50,250,000	50,400,000	10,050,000	43,290,000	60,295,000	61,975,000	41,610,000	—6,325,000
<b>Total other nonbasic:</b>										
1955.....	62,846,407	441,362,318	97,084,746	355,274,154	51,849,825	434,752,232	556,107,836	473,043,324	511,816,744	—162,903,170
1956.....	51,849,825	409,937,110	111,976,439	313,521,954	36,288,542	511,816,744	478,530,567	490,721,287	499,626,024	—138,618,420
1957.....	36,288,542	385,832,500	112,780,000	276,645,042	32,696,000	499,626,024	428,352,244	445,944,420	482,033,848	—120,460,420
<b>Barter and exchange:</b>										
1955.....							70,998,520	21,697,120	49,301,400	
1956.....						49,301,400	201,000,000	74,301,400	176,000,000	
1957.....						176,000,000	302,000,000	75,000,000	403,000,000	
<b>Total price support program:</b>										
1955.....	2,337,288,657	2,357,353,310	473,425,880	2,123,401,817	2,097,814,270	3,668,222,179	3,417,844,319	2,114,603,062	4,971,463,436	—799,061,464
1956.....	2,097,814,270	2,772,694,535	577,387,544	2,383,749,977	1,909,371,284	4,971,463,436	3,696,695,830	2,572,522,368	6,095,636,898	—817,076,684
1957.....	1,909,371,284	1,683,792,500	635,311,712	1,835,585,042	1,122,267,030	6,095,636,898	3,088,861,494	2,709,821,936	6,474,676,456	—719,681,436
<b>Supply and Foreign Purchase Program</b>										
1955.....						58,687,868	16,869,916	57,983,119	17,574,665	840,982
1956.....						17,574,665	25,606,157	30,159,208	13,021,614	
1957.....						13,021,614	10,850,930	20,540,330	3,332,214	26,178

<sup>1</sup> Sales under the price support program include sales of agricultural commodities under barter contracts and sales of strategic and critical materials and other commodities acquired under such barter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.



COMMODITY CREDIT CORPORATION—SCHEDULE 1.—*Loan and inventory operations and realized losses*—Continued

Program, commodity, and fiscal year	Loan operations					Inventory operations				Memoran- dum: Realized gain or loss (—)
	Loans out standing at beginning of year	New loans made	Repayments	Collateral acquired and writeoffs	Loans out standing at end of year	Beginning inventory	Acquisitions	Dispositions <sup>1</sup>	Ending in- ventory	
Storage Facilities Program <sup>3</sup>										
1955.....	\$30, 585, 124	\$19, 830, 368	\$10, 695, 193	\$153, 991	\$39, 566, 308					—\$120, 875
1956.....	39, 566, 308	17, 750, 000	16, 616, 308		40, 700, 000					—425, 000
1957.....	40, 700, 000	16, 500, 000	18, 550, 000		38, 650, 000					—400, 000
Commodity Export Program										
1955.....							\$158, 753, 591	\$158, 753, 591		—49, 574, 935
1956.....							105, 000, 000	105, 000, 000		—25, 000, 000
1957.....							92, 500, 000	92, 500, 000		—17, 500, 000
Subsidy Program										
(Liquidation): 1955.....										—184, 811
Loan to Secretary of Agriculture										
1955.....	26, 143, 881	43, 450, 000	62, 143, 881		7, 450, 000					
1956.....	7, 450, 000	43, 450, 000	32, 450, 000		18, 450, 000					
1957.....	18, 450, 000	43, 450, 000	18, 450, 000		43, 450, 000					
Emergency Feed Program										
(Liquidation): 1955.....						\$840, 859	1, 264, 126	2, 104, 985		—582, 962
Other Income and Expense										
1955.....										—81, 186, 075
1956.....										—179, 483, 463
1957.....										—244, 948, 503
Adjustment for Interprogram Sales <sup>4</sup>										
1955.....							—160, 017, 717	—160, 017, 717		
1956.....							—105, 000, 000	—105, 000, 000		
1957.....							—92, 500, 000	—92, 500, 000		
Total, all programs:										
1955.....	2, 394, 017, 662	2, 420, 633, 678	546, 264, 954	2, 123, 555, 808	2, 144, 830, 578	3, 727, 750, 906	3, 434, 714, 235	2, 173, 427, 040	\$4,989,038,101	—929, 870, 140
1956.....	2, 144, 830, 578	2, 833, 894, 535	626, 453, 852	2, 383, 749, 977	1, 968, 521, 284	4, 989, 038, 101	3, 722, 301, 987	2, 602, 681, 576	6,108,658,512	—1,021,985,147
1957.....	1, 968, 521, 284	1, 743, 742, 500	672, 311, 712	1, 835, 585, 042	1, 204, 367, 030	6, 108, 658, 512	3, 099, 712, 424	2, 730, 362, 266	6,478,008,670	—982, 503, 761

<sup>1</sup> Sales under the price support program include sales of agricultural commodities under barter contracts and sales of strategic and critical materials and other commodities acquired under such barter contracts in lieu of cash payments. In addition, included in sales are (1) sales to processors under contracts providing that the Corporation will repurchase the commodities in another form, (2) sales of cottonseed products to crushers which were made simultaneously with the purchase of such products and without physical delivery to or by the Corporation, and (3) sales of wheat which are required to be offset by purchase of wheat for the purpose of rotating or reconcentrating stocks.

<sup>2</sup> Operation and maintenance costs applicable to owned storage structures are reflected as carrying charges on the commodities stored.

<sup>4</sup> Adjustment to eliminate the market value of agricultural commodities transferred from the price support program to the commodity export program and emergency feed program.

## FEDERAL CROP INSURANCE CORPORATION

NOTE.—Operating and administrative expenses of the Corporation are financed primarily by general fund appropriation and shown under current authorizations.

## Capital and Insurance Fund, Federal Crop Insurance Corporation

Federal Crop Insurance Corporation: *Provided*, That the direct costs of loss adjusters for crop inspections and loss adjustments may be considered as nonadministrative or nonoperating expenses: *Provided further*, That not to exceed **[\$1,500,000]** \$2,000,000 of administrative and operating expenses may be paid from premium income. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

## PROGRAM AND FINANCING

Program	1955 actual	1956 estimate	1957 estimate
Indemnities, by crop:			
Barley.....			\$262,700
Beans.....	\$290,441	\$66,200	104,300
Citrus.....	645	3,300	89,000
Corn.....	765,642	2,338,700	1,164,800

## PROGRAM AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
<b>Program—Continued</b>			
Indemnities, by crop—Continued			
Cotton.....	\$839,092	\$1,136,300	\$1,326,700
Flax.....	719,239	499,200	472,800
Multiple crops.....	4,822,291	4,217,700	2,258,000
Soybeans.....		15,300	167,600
Tobacco.....	2,107,014	1,150,800	2,558,100
Wheat.....	18,483,669	16,855,700	11,398,000
Total indemnities.....	28,028,033	26,283,200	20,102,000
Expenses:			
Inspection and adjustment costs.....	104,342	1,116,000	1,319,000
Administrative expenses.....		1,500,000	2,000,000
Total operational program.....	28,132,375	28,899,200	23,421,000
Adjustment of prior years' income.....	84,561	800,000	200,000
Total program.....	28,216,936	29,699,200	23,621,000
<b>Financing</b>			
Amounts becoming available:			
Insurance premiums, by crop:			
Barley.....			340,000
Beans.....	181,596	135,000	135,000

## REVOLVING AND MANAGEMENT FUNDS—Continued

## PUBLIC ENTERPRISE FUNDS—Continued

## FEDERAL CROP INSURANCE CORPORATION—Continued

## Capital and Insurance Fund, Federal Crop Insurance Corporation—Continued

## PROGRAM AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
<b>Financing—Continued</b>			
Amounts becoming available—Con.			
Insurance premiums, by crop—Con.			
Citrus.....	\$104,990	\$93,000	\$115,200
Corn.....	1,378,431	1,362,900	1,507,800
Cotton.....	1,495,818	1,237,300	1,717,400
Flax.....	939,198	702,200	612,000
Multiple crops.....	3,211,211	2,813,500	2,923,000
Soybeans.....	2,366,112	28,300	217,000
Tobacco.....	12,987,000	2,712,000	3,700,300
Wheat.....		13,171,300	14,755,300
Total premiums.....	22,664,356	22,255,500	26,023,000
Interest and other income.....	109,560	100,000	100,000
Total amounts becoming available.....	22,773,916	22,355,500	26,123,000
Balance brought forward:			
Current assets less obligations, outstanding.....	27,271,244	21,828,224	14,484,524
Total available.....	50,045,160	44,183,724	40,607,524
Balance carried forward.....	21,828,224	14,484,524	16,986,524
Financing applied to program.....	28,216,936	29,699,200	23,621,000

The Federal Crop Insurance Corporation provides all-risk protection for the farmer's investment in producing crops against loss from unavoidable causes. Insurance programs are conducted on a limited basis to develop the experience necessary for the operation of a sound all-risk crop insurance plan on a national basis.

Capital stock of \$100 million is authorized to be subscribed by the United States. The Secretary of the Treasury holds receipts for \$27 million of authorized stock, leaving \$73 million unissued.

## BUDGET PROGRAM

Since 1948, the Corporation's policy has been to offer crop insurance to farmers on an experimental basis in selected counties on selected crops. The following table highlights the insurance program for fiscal years shown:

	<i>Fiscal year 1955 (crop year 1954) actual</i>	<i>Fiscal year 1956 (crop year 1955) estimate</i>	<i>Fiscal year 1957 (crop year 1956) estimate</i>
Number of commodities insured.....	34	29	24
Number of county programs.....	884	888	950
Estimated insurance outstanding (\$1,000).....	354,390	309,924	384,801
Number of contracts in force.....	346,887	323,343	400,000
Number of farmers insured.....	369,700	356,808	433,400
Premiums (\$1,000).....	22,664	22,256	26,023
Indemnities (\$1,000).....	28,028	26,283	20,102
Loss ratio.....	1.24	1.18	.77

Wheat is the principal commodity to be insured for the 1956 crop year, followed by tobacco, multiple crops, cotton, and corn. Insurance will be offered for the first time on the 1956 crop of barley.

Appropriations of up to \$12 million for any fiscal year are authorized for administrative and operating expenses of the Corporation. An estimate for a portion of such expenses is presented elsewhere in the budget. Under the provisions of the appropriation act for fiscal year 1956, the direct costs of loss adjusters, as well as operating and administrative expenses of not to exceed \$1.5 million, may be paid from the premium income earned by the Corporation. The 1957 budget contemplates an increase in the latter to \$2 million.

Continuation of the severe and prolonged drought, principally in the southwest area where crop insurance coverage was extensive, and the heavy rust infestation in the spring wheat area where participation was concentrated, were mainly responsible for indemnities amounting to \$28 million on the 1954 insured crops. These indemnities represented 64,601 claims and exceeded premium income of \$22.7 million by \$5.3 million.

In 1954, wheat represented 40 percent of the Corporation's insurance coverage, 57 percent of the premium income, and 66 percent of the indemnities paid. Consequently, when the insurance experience on wheat is adverse, the overall operating results are materially affected. Many of the counties where wheat was insured were included in the 1,721 counties (95 percent of these because of drought) which were designated as emergency assistance areas in 1954. Since the crop insurance program is conducted on a limited experimental basis, the spread of the insurance risk is not yet sufficiently broad to offset with premium income from other areas the losses incurred in concentrated areas where crop insurance coverage is extensive.

In order to reduce losses in areas where experience indicated that a sound program could not be developed, the crop insurance program has been withdrawn from 14 counties beginning with the 1956 crop year.

The deficit sustained in these 14 counties since 1947 of \$18.4 million is more than twice the Corporation's deficit as of June 30, 1955. If the experience in these few counties were disregarded, the Corporation instead of having a deficit of \$7.7 million as of June 30, 1955, would have had a reserve of \$10.7 million notwithstanding substantial adverse experience that occurred in other major areas during this period. In order to operate a sounder program, the Corporation is now following a policy of concerted action to limit its liability where, because of abnormal risk due to weather or farming practices, the probability of loss is imminent. Such action includes:

1. Withdrawal of crop insurance protection from high risk counties.
2. Closing sales campaigns in advance of normal closing dates.
3. Limiting liability to carryover contracts.
4. Limitation of insured acreage.
5. Adjustment of premium rates and coverages.

The continued drought will again result in the payment of heavy losses in 1955, especially on wheat. Wheat indemnities will exceed premium income by approximately \$3.7 million. Wheat losses from rust in the spring wheat area will be negligible, but corn indemnities will increase considerably because of the hot dry weather that prevailed throughout the entire Corn Belt. In addition, increased tobacco losses will result from hurricanes and accompanying heavy rainfall that occurred in the eastern seaboard States.

## FINANCING THE BUDGET PROGRAM

No new budgetary authorization is presently being estimated for 1957. Net capital of \$12.5 million is estimated to be available at the start of the year and net income of \$2.4 million is anticipated. However, additional capital funds may be necessary should losses substantially exceed those reflected in the estimates.



## OPERATING RESULTS AND FINANCIAL CONDITION

Income for 1957 is estimated to increase to \$26.1 million. Indemnities and expenses for 1957 are estimated at \$23.7 million, \$5.4 million less than 1956. The deficit as of June 30, 1955, was \$7.7 million. The net result of an estimated loss of \$6.8 million for 1956 and a net income of \$2.4 million for 1957 would increase the deficit to \$12.1 million, and decrease the net capital to \$14.9 million.

Net budget receipts of \$2.7 million are anticipated for 1957, as compared with net expenditures of \$5.4 million estimated for 1956, and \$7.2 million actual in 1955.

The following table summarizes insurance operations for the 1955, 1956, and 1957 fiscal years.

## SUMMARY OF INSURANCE OPERATIONS—NET PROFIT OR LOSS (—) BY COMMODITIES

[Fiscal years ending June 30, 1955, 1956, and 1957]

	1955 actual			
	Prior crop year adjust- ments	1954 crop year	1956 estimate (1955 crop year)	1957 estimate (1956 crop year)
Barley.....				\$77,300
Beans.....	—\$150	—\$108,845	\$68,800	30,700
Citrus.....		104,345	89,700	26,200
Corn.....	—225	612,789	—975,800	343,000
Cotton.....	—5,670	656,726	101,000	390,700
Flax.....	338	219,959	203,000	139,200
Multiple crops.....	2,730	—1,611,080	—1,404,200	665,000
Soybeans.....			13,000	49,400
Tobacco.....	—3,435	259,098	1,561,200	842,200
Wheat.....	2,682	—5,496,669	—3,684,400	3,357,300
Premium surplus (or deficit (—)).....	—3,730	—5,363,677	—4,027,700	5,921,000
Direct cost of loss ad- justers (—).....		—104,342	—1,116,000	—1,319,000
Administrative expenses chargeable to premium income (—).....			—1,500,000	—2,000,000
Other expenses (—) net.....		—129,535	—122,600	—160,200
Net income or loss (—).....		—5,601,284	—6,766,300	2,441,800

## CONDENSED STATEMENT OF INCOME AND EXPENSES AND FINANCIAL CONDITION

	1955 actual	1956 estimate	1957 estimate
Income earned.....	\$22,761,896	\$22,355,500	\$26,123,000
Indemnities and expenses incurred.....	28,363,180	29,121,800	23,681,200
Net income or loss (—).....	—5,601,284	—6,766,300	2,441,800
Assets:			
Cash.....	\$19,306,402	\$13,908,835	\$16,630,307
Other current assets.....	9,910,630	9,250,089	9,331,217
Allowance for losses.....	—2,560,281	—1,982,881	—2,043,081
Total assets.....	26,656,751	21,176,043	23,918,443
Liabilities: Current.....	7,388,808	8,675,000	8,975,000
Investment of U. S. Government:			
Capital stock.....	27,000,000	27,000,000	27,000,000
Deficit (—).....	—7,732,057	—14,498,357	—12,056,557
Total investment of U. S. Govern- ment.....	19,267,943	12,501,643	14,943,443

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
FEDERAL CROP INSURANCE CORPORATION			
Total number of permanent positions.....		34	56
Full-time equivalent of all other positions.....	19	235	277
Average number of all employees.....	19	268	332
Number of employees at end of year.....	0	797	952
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$4,600	\$4,666
Average grade.....		GS-5.5	GS-5.6
01 Personal services:			
Permanent positions.....		\$125,211	\$257,578
Positions other than permanent.....	\$65,686	851,993	1,001,602

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
FEDERAL CROP INSURANCE CORPORATION— continued			
01 Personal services—Continued			
Regular pay above 52-week base.....		\$986	
Total personal services.....	\$65,686	978,190	\$1,259,180
02 Travel.....	37,621	470,600	674,470
03 Transportation of things.....		8,200	9,000
04 Communication services.....		24,950	27,500
05 Rents and utility services.....		24,000	26,100
06 Printing and reproduction.....		37,400	37,400
07 Other contractual services.....		23,925	24,655
Agents commissions.....		990,245	1,193,123
08 Supplies and materials.....		6,200	6,300
09 Equipment.....		15,000	15,000
13 Refunds, awards, and indemnities.....	28,031,838	26,283,200	20,102,000
15 Taxes and assessments.....	1,035	17,290	21,272
Undistributed.....	80,756	800,000	200,000
Total, Federal Crop Insurance Cor- poration.....	28,216,936	29,679,200	23,596,000
ALLOCATION TO AGRICULTURAL MARKETING SERVICE			
Total number of permanent positions.....		3	4
Average number of all employees.....		5	6
Number of employees at end of year.....		3	4
Average salaries and grades:			
General schedule grades:			
Average salary.....		\$3,715	\$3,918
Average grade.....		GS-3.3	GS-4.3
01 Personal services:			
Permanent positions.....		\$18,030	\$23,000
Regular pay above 52-week base.....		70	
Payment above basic rates.....		300	300
Total personal services.....		18,400	23,300
02 Travel.....		350	400
04 Communication services.....		50	75
06 Printing and reproduction.....		200	225
08 Supplies and materials.....		1,000	1,000
Total, Agriculture Marketing Serv- ice.....		20,000	25,000
Total obligations.....	28,216,936	29,699,200	23,621,000

## BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AND RECEIPTS AVAILABLE			
Receipts from operations:			
Insurance premiums.....	\$22,652,336	\$22,255,500	\$26,023,000
Interest and other income.....	109,560	100,000	100,000
Decrease in working capital other than cash.....		1,946,133	219,472
Total receipts from operations.....	22,761,896	24,301,633	26,342,472
Balance brought forward:			
Unobligated.....	27,271,244	21,828,224	14,484,524
Obligated.....	—762,395	—2,521,822	—575,689
Total budget authorizations and receipts available.....	49,270,745	43,608,035	40,251,307
EXPENDITURES AND BALANCES			
Gross budget expenditures:			
Indemnities.....	28,031,838	26,283,200	20,102,000
Expenses.....	104,342	2,616,000	3,319,000
Chargeoff of premiums and other receivables.....	68,736	800,000	200,000
Increase in working capital other than cash.....	1,759,427		
Total gross budget expenditures.....	29,964,343	29,699,200	23,621,000
Balance carried forward:			
Unobligated.....	21,828,224	14,484,524	16,986,524
Obligated.....	—2,521,822	—575,689	—356,217
Total expenditures and balances.....	49,270,745	43,608,035	40,251,307

## BUDGET EXPENDITURES

	1955 actual	1956 estimate	1957 estimate
Gross budget expenditures.....	\$29,964,343	\$29,699,200	\$23,621,000
Receipts from operations.....	22,761,896	24,301,633	26,342,472
Net budget expenditures out of receipts and balance of the fund.....	7,202,447	5,397,567	—2,721,472

## REVOLVING AND MANAGEMENT FUNDS—Continued

## PUBLIC ENTERPRISE FUNDS—Continued

## FARMERS' HOME ADMINISTRATION

Disaster Loans, Etc., Revolving Fund, Department of Agriculture

## PROGRAM AND FINANCING

Program	1955 actual	1956 estimate	1957 estimate
<b>Loan commitments:</b>			
Production emergency loans.....	\$28,507,843	\$37,701,345	\$29,500,000
Economic emergency loans.....	39,903,870	15,000,000	9,300,000
Special livestock loans.....	19,672,799	12,000,000	10,000,000
Special emergency loans.....	1,550,821	2,000,000	2,000,000
Other loans.....	178,468	100,000	100,000
Total.....	89,813,801	66,801,345	50,900,000
Judgments and collateral acquired.....	4,926	8,000	9,700
Assistance to States under drought relief hay program.....	5,661,266		
Transportation and other costs in connection with emergency feed program.....	790,448		
Administrative expenses.....	4,418,301	4,641,059	3,225,000
Other expenses.....	24,177	10,600	11,000
Total program.....	100,712,919	71,461,004	54,145,700
<b>Financing</b>			
Amounts becoming available:			
Principal collections on loans.....	72,907,984	83,257,000	69,385,000
Interest income from loans.....	3,829,461	5,300,000	4,250,000
Sale of assets, and other income.....	24,773	74,300	68,833
Recovery of prior year obligations under the hay program.....		700,000	
Total amounts becoming available.....	76,762,218	89,331,300	73,703,833
Balance brought forward: Current assets less obligations outstanding.....	68,730,683	44,779,982	62,650,278
Total available.....	145,492,901	134,111,282	136,354,111
Balance carried forward.....	-44,779,982	-62,650,278	-82,208,411
Financing applied to program.....	100,712,919	71,461,004	54,145,700

This fund finances loans to farmers and stockmen in the event of disasters and other emergencies, in areas where agricultural credit is not readily available. It was created by the transfer of the assets of the Regional Agricultural Credit Corporation of Washington which was abolished.

## BUDGET PROGRAM

1. *Production emergency loans.*—Loans are made at 3 percent interest to farmers and stockmen suffering production disasters when agricultural credit is not readily available from other sources. The \$37.7 million estimate for 1956 is up \$9.2 million over 1955 and is due to the newly established program for the Great Plains area, together with the demand for loans of this type in other localities. The estimate for 1957 of \$29.5 million is \$8.2 million lower than the 1956 estimate.

2. *Economic emergency loans.*—Loans are made at 3 percent interest in any economic disaster area declared by the President if agricultural credit cannot be met temporarily by regularly established lending institutions. Loans are estimated at \$9.3 million in 1957, as compared with \$15 million estimated in 1956 and \$40 million actual in 1955.

3. *Special livestock loans.*—For 4 years after July 14, 1953, loans may be made at 5 percent interest to established livestock producers who are temporarily unable to get credit from recognized lenders and who have a reasonable chance of working out their difficulties with supplementary financing. Supplemental loans may be made for an additional 2 years after July 14, 1957, to individuals already indebted. Estimates for 1956 and

1957 are \$12 million and \$10 million compared with \$19.7 million in 1955.

4. *Special emergency loans.*—Special emergency loans up to a total of \$15 million may be made up to June 30, 1957, in areas where the Secretary finds a need for credit which cannot be met through other means. The estimates for 1956 and 1957 are \$2 million each, \$0.4 million higher than 1955.

5. *Other loans.*—Loans at 5 percent interest may be made to bona fide fur farmers where necessary to protect the Government's interest in existing loans which had been made by the Regional Agricultural Credit Corporation or other authorities.

*Administrative expenses.*—These costs are attributable to the activities of the Farmers' Home Administration, the Commodity Stabilization Service, and the Office of the General Counsel, and are estimated to be \$3.2 million in 1957, which is a reduction of \$1.4 million from 1956 and \$1.2 million from 1955.

## FINANCING THE BUDGET PROGRAM

No new budgetary authorization is required for 1957. Although a net loss of \$0.7 million is estimated on an accrual basis, net receipts of \$18.5 million are anticipated on a cash basis.

During 1957, the program is wholly financed by receipts from operations and, in addition, the balance of prior year authorization available at the end of the fiscal year to finance future years' programs will increase by \$19.6 million to \$82.2 million.

## OPERATING RESULTS AND RETAINED EARNINGS

Income for 1957, consisting principally of interest on loans, is estimated at \$4.3 million, compared to expenses of \$5 million, resulting in an estimated loss of \$0.7 million. Net income of \$4 million is estimated for 1956, and a net loss of \$8.4 million resulted in 1955.

Loans receivable, after allowance for losses, are expected to amount to \$71.2 million on June 30, 1957, as compared with \$91.2 million at June 30, 1956, and \$103.6 million on June 30, 1955.

The Government's investment at June 30, 1957, is expected to be \$153.4 million, consisting of \$205.9 million appropriated, less a deficit of \$52.5 million.

## CONDENSED STATEMENT OF INCOME AND EXPENSES AND FINANCIAL CONDITION

	1955 actual	1956 estimate	1957 estimate
Income earned.....	\$3,834,122	\$5,315,300	\$4,255,833
Expenses incurred.....	12,204,167	1,278,550	4,975,091
Net income.....	-8,370,045	4,036,750	-719,258
<b>Assets:</b>			
Cash.....	\$40,499,914	\$59,263,352	\$77,790,852
Other current assets.....	6,699,024	4,537,286	5,267,919
Allowance for losses.....	-642,011	-907,394	-862,034
Loans receivable (net).....	103,627,931	91,185,752	71,152,001
Other.....	121,271	131,021	142,021
Total assets.....	150,306,129	154,210,017	153,490,759
<b>Liabilities: Current</b> .....	283,222	150,360	150,360
Investment of U. S. Government:			
Principal of fund.....	205,858,145	205,858,145	205,858,145
Deficit (-), principal used.....	-55,835,238	-51,798,488	-52,517,746
Total investment of U. S. Government.....	150,022,907	154,059,657	153,340,399



## BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AND RECEIPTS AVAILABLE</b>			
Receipts from operations:			
Collection of loans.....	\$72,907,984	\$83,257,000	\$69,385,000
Interest income from loans.....	3,829,461	5,300,000	4,250,000
Sale of assets and other income.....	24,773	74,300	68,833
Decrease in working capital other than cash.....	12,113,083	2,028,876	-----
Total receipts from operations.....	88,875,301	90,660,176	73,703,833
Balance brought forward:			
Unobligated.....	68,730,683	44,779,982	62,650,278
Obligated.....	-17,482,635	-4,280,068	-3,386,926
Total budget authorizations and receipts available.....	140,123,349	131,160,090	132,967,185
<b>EXPENDITURES AND BALANCES</b>			
Gross budget expenditures:			
Loan program: Loans disbursed.....	89,424,292	67,237,079	51,200,000
Judgments and collateral acquired.....	4,926	8,000	9,700
Assistance to States under drought relief hay program.....	4,961,266	-----	-----
Transportation and other costs in connection with emergency feed program.....	790,448	-----	-----
Administrative expenses.....	4,418,301	4,641,059	3,225,000
Other expenses.....	24,202	10,600	11,000
Increase in working capital other than cash.....	-----	-----	730,633
Total gross budget expenditures.....	99,623,435	71,896,738	55,176,333
Balance carried forward:			
Unobligated.....	44,779,982	62,650,278	82,208,411
Obligated.....	-4,280,068	-3,386,926	-4,417,559
Total expenditures and balances.....	140,123,349	131,160,090	132,967,185

## BUDGET EXPENDITURES

Gross budget expenditures.....	\$99,623,435	\$71,896,738	\$55,176,333
Receipts from operations.....	88,875,301	90,660,176	73,703,833
Net budget expenditures (out of receipts and balances of the fund).....	10,748,134	-18,763,438	-18,527,500

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>FARMERS' HOME ADMINISTRATION</b>			
Total number of permanent positions.....	343	470	488
Full-time equivalent of all other positions.....	319	237	185
Average number of all employees.....	683	701	667
Number of employees at end of year.....	517	564	582
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,378	\$4,437	\$4,433
Average grade.....	GS-5.6	GS-5.2	GS-5.2
01 Personal services:			
Permanent positions.....	\$1,621,986	\$2,065,360	\$2,140,500
Positions other than permanent.....	1,013,702	777,440	664,500
Regular pay above 52-week base.....	8,467	10,700	-----
Payment above basic rates.....	9,831	10,000	10,000
Total personal services.....	2,653,986	2,863,500	2,815,000
02 Travel.....	555,784	400,000	350,000
06 Printing and reproduction.....	2,793	5,000	5,000
07 Other contractual services.....	4,966	6,500	6,500
08 Supplies and materials.....	2,556	5,000	5,000
15 Taxes and assessments.....	15,219	20,000	18,500
16 Investments and loans.....	89,813,801	66,801,345	50,900,000
Undistributed charges.....	29,103	18,600	20,700
Total, Farmers' Home Administration.....	93,078,208	70,119,945	54,120,700
<b>ALLOTMENT TO COMMODITY STABILIZATION SERVICE</b>			
Total number of permanent positions.....	30	30	-----
Average number of all employees.....	5	11	-----
Number of employees at end of year.....	12	12	-----
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,192	\$4,555	-----
Average grade.....	GS-5.2	GS-5.4	-----
01 Personal services:			
Permanent positions.....	\$31,554	\$53,944	-----
Regular pay above 52-week base.....	119	206	-----
Payment above basic rates.....	77	-----	-----
Total personal services.....	31,750	54,150	-----
02 Travel.....	12,050	16,304	-----
03 Transportation of things.....	29	16	-----

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>ALLOTMENT TO COMMODITY STABILIZATION SERVICE—continued</b>			
04 Communication services.....	\$472	\$920	-----
06 Printing and reproduction.....	135	252	-----
07 Other contractual services.....	790,448	-----	-----
Advanced to—			
“Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture” (7 U. S. C. 1388).....	969,000	1,028,808	-----
“Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938” (7 U. S. C. 1392).....	146,000	215,000	-----
Other.....	497	222	-----
08 Supplies and materials.....	194	276	-----
09 Equipment.....	-----	63	-----
11 Grants, subsidies, and contributions.....	5,661,266	-----	-----
13 Refunds, awards, and indemnities.....	6	-----	-----
15 Taxes and assessments.....	39	48	-----
Total, Commodity Stabilization Service.....	7,611,886	1,316,059	-----
<b>ALLOTMENT TO OFFICE OF THE GENERAL COUNSEL</b>			
Total number of permanent positions.....	5	4	4
Average number of all employees.....	4	4	4
Number of employees at end of year.....	4	4	4
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,652	\$6,770	\$6,813
Average grade.....	GS-7.4	GS-8.5	GS-8.5
01 Personal services:			
Permanent positions.....	\$21,781	\$24,160	\$24,160
Regular pay above 52-week base.....	100	-----	-----
Total personal services.....	21,781	24,260	24,160
02 Travel.....	980	600	700
04 Communication services.....	3	65	65
07 Other contractual services.....	61	75	75
Total, Office of the General Counsel.....	22,825	25,000	25,000
Total obligations.....	100,712,919	71,461,004	54,145,700

## Farm Tenant-Mortgage Insurance Fund, Department of Agriculture

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program</b>			
Advances on behalf of borrowers:			
For payment of delinquent installments.....	\$259,579	\$400,000	\$470,000
For other advances.....	34,377	49,000	55,000
Purchase of loans from lenders.....	568,256	1,800,000	3,000,000
Collateral acquired by default.....	21,643	-----	-----
Expenses:			
Administrative expenses.....	310,000	420,000	525,000
Costs incident to acquired real estate.....	823	930	2,000
Total program.....	1,234,678	2,669,930	4,052,000
<b>Financing</b>			
Amounts becoming available:			
Repayments on advances for borrowers.....	224,653	280,000	330,000
Repayments on loans held by fund.....	6,496	35,000	37,500
Proceeds from sale of loans to lenders.....	156,323	900,000	2,400,000
Proceeds from sale of acquired real estate.....	54,510	95,000	140,000
Insurance premiums.....	892,977	1,300,000	1,800,000
Interest income.....	40,027	96,000	115,000
Fees and other income.....	43,590	95,000	100,000
Total amounts becoming available.....	1,418,576	2,801,000	4,922,500
Balance brought forward: Current assets less obligations outstanding.....	2,521,144	2,705,042	2,836,112
Total available.....	3,939,720	5,506,042	7,758,612
Balance carried forward.....	-2,705,042	-2,836,112	-3,706,612
Financing applied to program.....	1,234,678	2,669,930	4,052,000

This fund relates to insured farm ownership loans and soil and water conservation loans. The initial fund of \$1 million is supplemented by charges collected from insured farm ownership and soil and water conservation loan borrowers, inspection and appraisal fees, and other charges. Receipts are available for administrative expenses and to cover losses.

## REVOLVING AND MANAGEMENT FUNDS—Continued

## PUBLIC ENTERPRISE FUNDS—Continued

## FARMERS' HOME ADMINISTRATION—Continued

*Farm Tenant-Mortgage Insurance Fund, Department of Agriculture—Continued*

## BUDGET PROGRAM

Advances and purchases of loans are estimated at \$3.5 million in 1957, an increase of \$1.3 million over 1956 and \$2.6 million over 1955. Outstanding loans insured on June 30, 1955, totaled \$94,296,644 and are estimated at \$162,140,000 on June 30, 1956, and \$215,640,000 on June 30, 1957. The insurance endorsement on each loan includes an agreement by the Government to purchase the loan after a specified period.

## FINANCING THE BUDGET PROGRAM

No new budgetary authorization is required for 1957. Net receipts of \$506,000 are anticipated on a cash basis.

During 1957, the program is wholly financed by receipts from operations, and in addition, the balance of prior year authorization available at the end of the fiscal year to finance future years' programs will increase by \$871,000 to \$3.7 million.

## OPERATING RESULTS AND RETAINED EARNINGS

Total income, consisting principally of insurance premiums, is estimated at \$2 million in 1957, a considerable increase over previous years. Since expenses are expected to increase only moderately, most of the gain will result in net income.

This accelerated loan program is expected to result in outstanding loans receivable of \$2.4 million at June 30, 1957. Retained earnings, which are for absorption of any future losses, are estimated to be \$5.2 million at the end of 1957, and when added to the \$1 million appropriation, represents a \$6.2 million investment of the Government.

## CONDENSED STATEMENT OF INCOME AND EXPENSE AND FINANCIAL CONDITION

	1955 actual	1956 estimate	1957 estimate
Income earned.....	\$976,594	\$1,491,000	\$2,015,000
Expenses incurred.....	324,750	445,000	557,000
Net income.....	651,844	1,046,000	1,458,000
Assets:			
Cash.....	\$663,232	\$684,625	\$1,190,125
Investment in United States securities..	1,250,000	1,150,000	1,150,000
Other current assets.....	807,599	1,001,487	1,366,487
Loans receivable.....	871,761	1,786,761	2,374,261
Other assets.....	93,489	93,489	93,489
Total assets.....	3,686,081	4,716,362	6,174,362
Liabilities: Current.....	15,719		
Investment of U. S. Government:			
Appropriation.....	1,000,000	1,000,000	1,000,000
Retained earnings.....	2,670,362	3,716,362	5,174,362
Total investment of U. S. Government.....	3,670,362	4,716,362	6,174,362

NOTE.—This statement excludes contingent liabilities for amounts representing principal of insured loans as follows: June 30, 1955, \$94,296,644; 1956, \$162,140,000; and 1957, \$215,640,000.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
07 Other contractual services.....	\$310,000	\$420,000	\$525,000
16 Investments and loans.....	902,212	2,249,000	3,525,000
Undistributed charges.....	22,466	930	2,000
Total obligations.....	1,234,678	2,669,930	4,052,000

## BUDGET AUTHORIZATIONS AND RECEIPTS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AND RECEIPTS AVAILABLE</b>			
Receipts from operations:			
Repayments on advances to borrowers.....	\$224,653	\$280,000	\$330,000
Repayments on loans held by fund.....	6,496	35,000	37,500
Proceeds from sale of loans to lenders.....	156,323	900,000	2,400,000
Proceeds from sale of acquired real estate.....	54,510	95,000	140,000
Insurance premiums.....	892,977	1,300,000	1,800,000
Interest income.....	40,027	96,000	115,000
Fees and other income.....	43,590	95,000	100,000
Total receipts from operations.....	1,418,576	2,801,000	4,922,500
Balance brought forward:			
Unobligated.....	2,521,144	2,705,042	2,836,112
Obligated.....	-646,573	-791,810	-1,001,487
Total budget authorizations and receipts available.....	3,293,147	4,714,232	6,757,125
<b>EXPENDITURES AND BALANCES</b>			
Gross budget expenditures:			
Advances on behalf of borrowers:			
For payment of delinquent installments.....	299,579	400,000	470,000
For other advances.....	34,377	49,000	55,000
Purchase of loans from lenders.....	568,256	1,800,000	3,000,000
Collateral acquired by default.....	21,643		
Administrative expenses.....	310,000	420,000	525,000
Costs incident to acquired real estate.....	823	930	2,000
Increase in working capital other than cash and investment in United States securities.....	145,237	209,677	365,000
Total gross budget expenditures.....	1,379,915	2,879,607	4,417,000
Balance carried forward:			
Unobligated.....	2,705,042	2,836,112	3,706,612
Obligated.....	-791,810	-1,001,487	-1,366,487
Total expenditures and balances.....	3,293,147	4,714,232	6,757,125

## BUDGET EXPENDITURES

	1955 actual	1956 estimate	1957 estimate
Gross budget expenditures.....	\$1,379,915	\$2,879,607	\$4,417,000
Receipts from operations.....	1,418,576	2,801,000	4,922,500
Net budget expenditures out of receipts and balances of the fund.....	-38,661	78,607	-505,500

## POSITION WITH RESPECT TO INSURANCE AUTHORITY

	1955 actual	1956 estimate	1957 estimate
Annual mortgage insurance authority.....	\$125,000,000	\$125,000,000	\$125,000,000
Charges against mortgage insurance authority during year:			
Mortgages insured.....	34,270,147	66,000,000	66,000,000
Commitments to insure pending advances by lenders.....	13,500,363	14,000,000	14,000,000
Mortgages accepted for the account of the fund (net).....	420,260	900,000	600,000
Total charges against authority.....	48,190,770	80,900,000	80,600,000
Unused insurance authority.....	76,809,230	44,100,000	44,400,000

## INTRAGOVERNMENTAL FUNDS

## AGRICULTURAL RESEARCH SERVICE

*Working Capital Fund, Agricultural Research Center, Agricultural Research Service*

## PROGRAM AND PERFORMANCE

This fund finances, on a reimbursable basis, central facilities and services furnished to agencies at the Agricultural Research Center (64 Stat. 658). The capital consists of \$300,000 appropriated in 1951 and donated assets of \$201,995, as of June 30, 1955.



*A. Statement of sources and application of funds*

	1955 actual	1956 estimate	1957 estimate
<b>FUNDS APPLIED</b>			
<b>To operations:</b>			
Acquisition of assets: Equipment.....	\$34, 529	\$30, 000	\$30, 000
Expenses:			
Purchases of materials.....	716, 486	720, 000	720, 000
Other expenses.....	1, 770, 589	1, 865, 000	1, 869, 000
Increase in selected working capital.....			9, 000
Total applied to operations.....	2, 521, 604	2, 615, 000	2, 628, 000
<b>To financing:</b>			
Increase in Treasury cash.....	47, 309	17, 247	
Total funds applied.....	2, 568, 913	2, 632, 247	2, 628, 000
<b>FUNDS PROVIDED</b>			
<b>By operations:</b>			
Realization of assets: Proceeds from sale of equipment.....	3, 937	1, 000	1, 000
Operating income.....	2, 537, 693	2, 612, 000	2, 624, 000
Decrease in selected working capital.....	27, 283	19, 247	
Total provided by operations.....	2, 568, 913	2, 632, 247	2, 625, 000
<b>By financing:</b>			
Decrease in Treasury cash.....			3, 000
Total funds provided.....	2, 568, 913	2, 632, 247	2, 628, 000

**EFFECT ON BUDGET EXPENDITURES**

Funds applied to operations.....	\$2, 521, 604	\$2, 615, 000	\$2, 628, 000
Funds provided by operations.....	2, 568, 913	2, 632, 247	2, 625, 000
Net effect on budget expenditure.....	-47, 309	-17, 247	3, 000
The above are charged or credited (-) to net receipts of the fund.....	-47, 309	-17, 247	3, 000

*B. Statement of income and expense*

	1955 actual	1956 estimate	1957 estimate
<b>Income:</b>			
Sales of goods and services.....	\$2, 526, 967	\$2, 601, 250	\$2, 613, 250
Rental income from quarters.....	10, 726	10, 750	10, 750
Total income.....	2, 537, 693	2, 612, 000	2, 624, 000
<b>Expenses:</b>			
Cost of materials sold:			
Purchases of materials.....	716, 486	720, 000	720, 000
Materials donated.....	11, 863		
Decrease in materials inventory.....	13, 695	753	
Cost of materials sold.....	742, 044	720, 753	720, 000
Other expenses.....	1, 770, 589	1, 865, 000	1, 869, 000
Depreciation on equipment.....	36, 222	36, 000	36, 000
Total expenses.....	2, 548, 855	2, 621, 753	2, 625, 000
Net operating loss (-).....	-11, 162	-9, 753	-1, 000
<b>Nonoperating income or loss (-):</b>			
Proceeds from sale of fixed assets.....	3, 937	1, 000	1, 000
Net book value of assets sold.....	4, 832	1, 500	1, 500
Net nonoperating loss (-).....	-895	-500	-500
Net loss (-) for the year.....	-12, 057	-10, 253	-1, 500
<b>ANALYSIS OF RETAINED EARNINGS</b>			
Retained earnings, beginning of year.....	48, 728	36, 671	26, 418
Retained earnings, end of year.....	36, 671	26, 418	24, 918

*C. Statement of financial condition*

	1955 actual	1956 estimate	1957 estimate
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash with Treasury:			
Operations.....	\$245, 753	\$263, 000	\$260, 000
Deposit funds.....	40, 727	40, 000	40, 000
Accounts receivable.....	444, 090	425, 000	430, 000
Inventory of supplies and materials.....	75, 753	75, 000	75, 000
Total current assets.....	806, 323	803, 000	805, 000
<b>Fixed assets:</b>			
Equipment.....	397, 159	407, 159	418, 159
Less portion charged off as depreciation.....	213, 612	231, 112	247, 612
Total fixed assets.....	183, 547	176, 047	170, 547
Total assets.....	989, 870	979, 047	975, 547

*C. Statement of financial condition—Continued*

	1955 actual	1956 estimate	1957 estimate
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable.....	\$124, 069	\$125, 634	\$121, 634
Accrued expenses.....	286, 408	285, 000	285, 000
Deposit liabilities.....	40, 727	40, 000	40, 000
Total liabilities.....	451, 204	450, 634	446, 634
<b>INVESTMENT OF U. S. GOVERNMENT</b>			
<b>Principal of fund:</b>			
Appropriation.....	300, 000	300, 000	300, 000
Donated assets, net.....	201, 995	201, 995	203, 995
Total principal of fund.....	501, 995	501, 995	503, 995
Retained earnings.....	36, 671	26, 418	24, 918
Total investment of U. S. Government.....	538, 666	528, 413	528, 913
Total liabilities and investment of U. S. Government.....	989, 870	979, 047	975, 547

NOTE.—Obligated balances are as follows: June 30, 1954, —\$42,087; 1955, —\$20,183; 1956, \$634; 1957, —\$5,366 (negative figures represent receivables, etc., in excess of obligations).

Unobligated balances are as follows: June 30, 1954, \$240,531; 1955, \$265,936; 1956, \$262,369; 1957, \$268,366.

Cash balance with Treasury on June 30, 1954, was \$198,444.

*SCHEDULE A-1. Accrued expenditures by objects*

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	345	345	344
Full-time equivalent of all other positions.....	65	65	65
Average number of all employees.....	399	399	399
Number of employees at end of year.....	419	419	419
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4, 844	\$5, 245	\$5, 361
Average grade.....	GS-7.0	GS-7.0	GS-7.2
Ungraded positions: Average salary.....	\$3, 472	\$3, 750	\$3, 757
<b>01 Personal services:</b>			
Permanent positions.....	\$1, 225, 519	\$1, 329, 000	\$1, 333, 000
Positions other than permanent.....	199, 454	215, 000	221, 000
Regular pay above 52-week base.....	5, 097	6, 000	
Payment above basic rates.....	27, 391	30, 000	30, 000
Excess of annual leave earned over leave taken.....	29, 272		
Total personal services.....	1, 486, 733	1, 580, 000	1, 584, 000
<b>02 Travel.....</b>	493	500	500
<b>03 Transportation of things.....</b>	43, 671	43, 500	43, 500
<b>04 Communication services.....</b>	77, 558	79, 000	79, 000
<b>05 Rents and utility services.....</b>	122, 392	122, 000	122, 000
<b>06 Printing and reproduction.....</b>	1, 082	1, 000	1, 000
<b>07 Other contractual services.....</b>	31, 560	31, 500	31, 500
<b>08 Supplies and materials.....</b>	716, 486	720, 000	720, 000
<b>09 Equipment.....</b>	34, 529	30, 000	30, 000
<b>15 Taxes and assessments.....</b>	7, 100	7, 500	7, 500
Total accrued expenditures.....	2, 521, 604	2, 615, 000	2, 619, 000

*Advances and Reimbursements, Agricultural Research Service***OPERATIONS AND FINANCING**

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
1. Research.....	\$297, 163	\$305, 520	\$302, 220
2. Plant and animal disease and pest control.....	479, 240	571, 362	571, 362
3. Meat inspection.....	4, 197, 673	5, 237, 200	5, 237, 200
4. Miscellaneous services to other accounts.....	429, 003	495, 373	623, 823
Total obligations.....	5, 403, 079	6, 609, 455	6, 734, 605
<b>Financing:</b>			
Unobligated balance brought forward.....	5, 332	100	
Advances and reimbursements from—			
Other accounts.....	1, 615, 053	1, 898, 353	2, 023, 603
Non-Federal sources.....	3, 782, 794	4, 711, 002	4, 711, 002
Unobligated balance carried forward.....	—100		
Total financing.....	5, 403, 079	6, 609, 455	6, 734, 605

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sales of charts (7 U. S. C. 1387) and personal property (40 U. S. C. 481 (c)), from payments by non-Federal agencies for overtime work and travel performed at meat-packing establishments and veterinary biological establishments and for animal and plant quarantine inspection (5 U. S. C. 576; 7 U. S. C. 394, 396), from cooperating State, county, municipal, and private organizations for soil and water conservation work (16 U. S. C. 590a), and from refunds of terminal leave payments (5 U. S. C. 61 (b)).

## REVOLVING AND MANAGEMENT FUNDS—Continued

## INTRAGOVERNMENTAL FUNDS—Continued

## AGRICULTURAL RESEARCH SERVICE—Continued

## Advances and Reimbursements, Agricultural Research Service—Con.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	7	7	7
Average number of all employees.....	374	402	412
Number of employees at end of year.....	7	7	7
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,844	\$5,245	\$5,361
Average grade.....	GS-7.0	GS-7.0	GS-7.2
01 Personal services:			
Permanent positions.....	\$1,971,038	\$2,162,844	\$2,243,525
Positions other than permanent.....	157		
Regular pay above 52-week base.....	6,151	4,950	
Payment above basic rates.....	3,083,024	4,045,887	4,045,887
Other payments for personal services.....	332		
Total personal services.....	5,060,702	6,213,681	6,289,412
02 Travel.....	16,138	29,800	35,100
03 Transportation of things.....	3,035	3,200	3,800
04 Communication services.....	26,299	24,500	31,500
05 Rents and utility services.....	12,139	18,400	20,700
06 Printing and reproduction.....	22,315	13,300	44,100
07 Other contractual services.....	85,973	100,100	107,900
08 Supplies and materials.....	63,184	102,304	91,593
09 Equipment.....	104,263	92,400	98,400
15 Taxes and assessments.....	9,031	11,770	12,100
Total obligations.....	5,403,079	6,609,455	6,734,605

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements (funds provided by operations).....	\$5,397,847	\$6,609,355	\$6,734,605
Balance brought forward:			
Unobligated.....	5,332	100	
Obligated.....	3,684	238	
Increase in prior year obligations.....	4,130		
Total budget authorizations available.....	5,410,993	6,609,693	6,734,605
EXPENDITURES AND BALANCES			
Funds applied to operations.....	5,410,655	6,609,693	6,734,605
Balance carried forward:			
Unobligated.....	100		
Obligated.....	238		
Total expenditures and balances.....	5,410,993	6,609,693	6,734,605
EFFECT ON BUDGET EXPENDITURES			
Funds applied to operations.....	5,410,655	6,609,693	6,734,605
Funds provided by operations.....	5,397,847	6,609,355	6,734,605
Net effect on budget expenditures out of receipts and balances of the fund.....	12,808	338	

## EXTENSION SERVICE

## Advances and Reimbursements, Federal Extension Service

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Operations by activities:			
1. Cooperation between State and Federal agencies in the Great Plains area.....	\$3,622	\$614	
2. Advisor to the Foreign Operations Administration Mission to the Philippines.....	1,493		
3. Miscellaneous services to other accounts.....	777		
Total obligations.....	5,892	614	

## OPERATIONS AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
Financing:			
Advances and reimbursements from—			
Other accounts.....	\$5,456	\$614	
Non-Federal sources (40 U. S. C. 481 (c)).....	436		
Total financing.....	5,892	614	

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	1	1	
Average number of all employees.....	1	1	
Number of employees at end of year.....	1		
Average salary: Ungraded positions.....	\$7,500	\$7,500	
01 Personal services:			
Permanent positions.....	5,365	614	
Regular pay above 52-week base.....	21		
Total personal services.....	5,386	614	
03 Transportation of things.....	13		
07 Other contractual services.....	5		
08 Supplies and materials.....	4		
09 Equipment.....	436		
15 Taxes and assessments.....	48		
Total obligations.....	5,892	614	

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements (funds provided by operations).....	\$5,892	\$614	
EXPENDITURES AND BALANCES			
Funds applied to operations.....	5,892	614	
EFFECT ON BUDGET EXPENDITURES			
Funds applied to operations.....	5,892	614	
Funds provided by operations.....	5,892	614	
Net effect on budget expenditures out of receipts and balances of the fund.....			

## Allotments and Allocations Received From Appropriation Accounts

NOTE.—Obligations incurred under allotments and allocations from other appropriations are shown in the schedules of the parent appropriations, as follows:

“Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938.”  
 “Local administration, sec. 388, Agricultural Adjustment Act of 1938, Agriculture.”  
 “Mutual security, funds appropriated to the President.”

## FARMER COOPERATIVE SERVICE

## Advances and Reimbursements, Farmer Cooperative Service

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Operations by activities:			
Research and technical assistance for farmers' cooperatives (total obligations).....	\$3,065		
Financing:			
Advances and reimbursements from—			
Other accounts.....	2,730		
Non-Federal sources (40 U. S. C. 481 (c)).....	335		
Total financing.....	3,065		



## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Average number of all employees.....	1		
Number of employees at end of year.....	0		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,774		
Average grade.....	GS-8.3		
01 Personal services: Permanent positions.....	\$2,677		
06 Printing and reproduction.....	53		
09 Equipment.....	335		
Total obligations.....	3,065		

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$3,065		
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	3,065		
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	3,065		
Funds provided by operations.....	3,065		
Net effect on budget expenditures out of receipts and balances of the fund.....			

## FOREST SERVICE

## WORKING CAPITAL FUND

## Working Capital Fund, Forest Service

There is hereby established a working capital fund which shall be available without fiscal year limitation for expenses necessary, including the purchase or construction of buildings and improvements within the limitations thereon set forth in the appropriation for "Salaries and expenses, Forest Service", for furnishing supply and equipment services in support of programs of the Forest Service. The Secretary is authorized to transfer to the fund, without reimbursement, and to capitalize in the fund at fair and reasonable values, such receivables, inventories, equipment, and other assets as he may determine, and assume the liabilities in connection with such assets, but such capitalization shall not exceed \$25,000,000: Provided, That the fund shall be credited with advance payments in connection with firm orders and reimbursements from funds of the Forest Service, other departmental and Federal agencies, and from other sources, as authorized by law, at rates approximately equal to the cost of furnishing the facilities and services.

## PROGRAM AND PERFORMANCE

This fund would be available, without fiscal year limitation, for financing, on a reimbursable basis, various service operations such as repairing and replacing equipment, restocking of supplies, and operation of photographic and reproduction facilities. These service operations serve concurrently the programs of fire protection, timber utilization, construction and maintenance of roads and other improvements, reforestation, grazing, watershed, forest and forest products research, and kindred conservation activities of the Forest Service, including cooperative assistance with other Federal agencies, States, counties, farmers, forest landowners, and others engaged in the same objectives. The principal of the fund, consisting of donated assets, is estimated to be \$17.8 million.

## A. Statement of sources and application of funds

	1955 actual	1956 estimate	1957 estimate
<b>FUNDS APPLIED</b>			
To operations:			
Acquisition of assets: Equipment.....			\$3,747,900
Expenses:			
Purchase of supplies.....			7,125,000
Other.....			3,663,400

## A. Statement of sources and application of funds—Continued

	1955 actual	1956 estimate	1957 estimate
<b>FUNDS APPLIED—Continued</b>			
To operations—Continued			
Increase in selected working capital.....			\$836,700
Total applied to operations.....			15,373,000
To financing:			
Increase in Treasury cash.....			135,000
Total funds applied.....			15,508,000
<b>FUNDS PROVIDED</b>			
By operations:			
Realization of assets: Sale of equipment.....			403,000
Income.....			14,400,000
Selected working capital absorbed at inception.....			705,000
Total funds provided.....			15,508,000

## EFFECT ON BUDGET EXPENDITURES

	1955 actual	1956 estimate	1957 estimate
Funds applied to operations.....			\$15,373,000
Funds provided by operations.....			15,508,000
Net effect on budget expenditures.....			—135,000
The above are credited (—) to net receipts of the fund.....			—135,000

## B. Statement of income and expense

	1955 actual	1956 estimate	1957 estimate
<b>Income:</b>			
Rental of equipment.....			\$8,000,000
Sales of goods and services.....			6,398,000
Other income.....			2,000
Total income.....			14,400,000
<b>Expenses:</b>			
Cost of supplies and services sold:			
Purchase of supplies.....			7,125,000
Donated materials used.....			7,200
Direct labor.....			2,600,000
Administrative expenses.....			375,400
Expenses, other.....			688,000
Depreciation.....			3,547,400
Total expenses.....			14,343,000
Net operating income.....			57,000
<b>Nonoperating income:</b>			
Proceeds from sale of fixed assets—equipment.....			403,000
Net book value of equipment sold.....			—395,000
Net nonoperating income.....			8,000
Net income for the year.....			65,000

## C. Statement of financial condition

	1955 actual	1956 estimate	1957 estimate
<b>ASSETS</b>			
Current assets:			
Cash with Treasury.....			\$135,000
Accounts receivable.....			1,656,700
Inventories:			
Materials for sale.....			383,000
Operating supplies and parts.....			532,000
Total current assets.....			2,706,700
Fixed assets:			
Equipment.....			19,318,100
Buildings.....			160,000
Shop and administrative equipment.....			572,800
Total fixed assets.....			20,050,900
Less portion charged off as depreciation.....			3,537,400
Net fixed assets.....			16,513,500
Total assets.....			19,220,200
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable.....			955,000
Accrued expenses.....			397,000
Total liabilities.....			1,352,000

## REVOLVING AND MANAGEMENT FUNDS—Continued

## INTRAGOVERNMENTAL FUNDS—Continued

## FOREST SERVICE—Continued

## Working Capital Fund, Forest Service—Continued

## C. Statement of financial condition—Continued

	1955 actual	1956 estimate	1957 estimate
<b>INVESTMENT OF U. S. GOVERNMENT</b>			
Principal of fund: Donated assets, net.....			\$17,803,200
Retained earnings.....			65,000
<b>Total investment of U. S. Government.....</b>			<b>17,868,200</b>
<b>Total investment and liabilities of U. S. Government.....</b>			<b>19,220,200</b>

NOTE.—Obligated balance is as follows: June 30, 1957, —\$291,700 (negative figure represents receivables, etc., in excess of obligations).

Unobligated balance is as follows: June 30, 1957, \$426,700.

## SCHEDULE A-1. Accrued expenditures by objects

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....			475
Full-time equivalent of all other positions.....			70
Average number of all employees.....			719
Number of employees at end of year.....			425
Average salaries and grades:			
General schedule grades:			
Average salary.....			\$5,042
Average grade.....			GS-6.7
Ungraded positions: Average salary.....			\$3,872
01 Personal services:			
Permanent positions.....			\$2,718,118
Positions other than permanent.....			186,927
Payment above basic rates.....			19,898
Other payments for personal services.....			57
Total personal services.....			2,925,000
02 Travel.....			90,000
03 Transportation of things.....			58,000
04 Communication services.....			27,000
05 Rents and utility services.....			65,000
06 Printing and reproduction.....			3,800
07 Other contractual services.....			250,000
Services performed by other agencies.....			233,000
08 Supplies and materials.....			7,125,000
09 Equipment.....			3,747,900
10 Lands and structures.....			10,000
13 Refunds, awards, and indemnities.....			300
15 Taxes and assessments.....			2,800
Subtotal.....			14,537,800
Deduct charges for quarters and subsistence.....			1,500
Total accrued expenditures.....			14,536,300

## Advances and Reimbursements, Forest Service

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
1. Collection of forest products data (Department of Commerce, Bureau of the Census).....	\$35,391	\$2,009	
2. Investigation of applications, and construction, maintenance and improvement of access roads to sources of raw materials (Department of Commerce, Bureau of Public Roads).....	11,198	414	
3. Investigation and supervision of Federal Power Commission projects (Federal Power Commission).....	1,671		
4. To cover costs of fire protection on certain lands under the jurisdiction of Bureau of Land Management (Department of the Interior).....	111,169	103,130	
5. For participation in a soil and moisture conservation program within the Boise National Forest (Department of the Interior).....	8,186	12,000	

## OPERATIONS AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities—Continued</b>			
6. Rehabilitation or relocation of national forest resources and improvements damaged or destroyed by Department of the Interior activities (Department of the Interior).....	\$1,341		
7. Research in metal surfaces (National Advisory Committee for Aeronautics).....		\$15,000	
8. To cover costs of developing packaging specifications for parcel post (Post Office Department).....	655		
9. For technical assistance on power-line pole problems (Rural Electrification Administration).....	20,500	20,000	
10. Rental of equipment to, and repair of equipment for, other activities of Forest Service; the Department of Agriculture; the Departments of Commerce, Interior, and Defense; the Post Office Department; the Veterans Administration; the Atomic Energy Commission; and other agencies.....	5,177,575	5,957,726	
11. Supplies, materials, and equipment for sale to other activities of Forest Service; the Department of Agriculture, the Departments of Commerce and Interior, the Post Office Department, the Atomic Energy Commission, and other agencies.....	1,043,985	1,615,974	
12. Construction and maintenance of roads and trails.....	164,651	163,300	\$163,300
13. Construction and maintenance of other improvements.....	22,220	25,000	25,000
14. Protection of intermingled and adjacent forest lands.....	54,063	200,000	200,000
15. Surveys, land appraisals, mapping, cruising timber, and preparation of timber management plans, snow scale readings, etc., on national forest and other lands.....	76,739	157,000	157,000
16. Fire suppression on national forest and on intermingled and adjacent lands.....	381,172	35,000	35,000
17. White pine blister rust control.....	5,085	38,000	38,000
18. Forest pest control.....	97,091	110,000	110,000
19. Investigations at experimental forests and ranges.....	67,201	74,000	74,000
20. Fire, insect, and disease investigations.....	15,687	17,000	17,000
21. Investigations at forest products laboratory.....	295,655	325,000	325,000
22. Special economic investigations.....	86,911	96,000	96,000
23. Cooperation in forest fire control.....	4,360	5,500	5,500
24. Cooperation in forest management and processing.....	16,839	17,500	17,500
25. Miscellaneous services to other accounts.....	38,745	37,000	37,000
Total obligations.....	7,738,090	9,026,553	1,300,300
<b>Financing:</b>			
Unobligated balance brought forward.....	53,094	2,423	
Unobligated balance carried forward.....	—2,423		
Advances and reimbursements from—			
Other accounts.....	6,776,541	7,963,330	1,239,500
Non-Federal sources.....	912,509	1,060,800	60,800
Unobligated balance no longer available.....	—1,631		
Total financing.....	7,738,090	9,026,553	1,300,300

NOTE.—Reimbursements from non-Federal sources above are primarily for rental of equipment; for sale of equipment, nursery stock, supplies, and materials; and for costs of suppressing forest fires on State and private forest lands adjacent to, or intermingled with, national forests under terms of written cooperative agreements (16 U. S. C. 504a, 572, 580, 580a); sale of photographic reproductions (7 U. S. C. 1387); and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	433	530	50
Full-time equivalent of all other positions.....	96	110	22
Average number of all employees.....	659	845	98
Number of employees at end of year.....	848	786	75
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,707	\$5,069	\$5,042
Average grade.....	GS-6.6	GS-6.7	GS-6.7
Ungraded positions: Average salary.....	\$3,739	\$3,872	\$3,872
01 Personal services:			
Permanent positions.....	\$2,365,591	\$3,072,130	\$323,262
Positions other than permanent.....	286,735	335,409	82,995
Regular pay above 52-week base.....	9,212	11,515	



## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
01 Personal services—Continued			
Payment above basic rates.....	\$17,493	\$22,445	\$1,942
Other payments for personal services.....	2,592	63	6
Total personal services.....	2,681,643	3,441,562	408,205
02 Travel.....	103,481	106,900	14,000
03 Transportation of things.....	61,254	65,750	7,650
04 Communication services.....	29,767	31,700	4,500
05 Rents and utility services.....	67,855	74,050	8,750
06 Printing and reproduction.....	13,832	14,300	10,500
07 Other contractual services.....	632,254	824,155	263,655
Services performed by other agencies.....	429,927	449,700	97,500
08 Supplies and materials.....	2,368,770	2,584,989	314,285
09 Equipment.....	1,332,213	1,419,500	169,500
10 Lands and structures.....	9,215	11,200	1,200
13 Refunds, awards, and indemnities.....	306	350	50
15 Taxes and assessments.....	9,881	4,912	775
Subtotal.....	7,740,398	9,029,068	1,300,570
Deduct charges for quarters and subsistence.....	2,308	2,515	270
Total obligations.....	7,738,090	9,026,553	1,300,300

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$7,689,050	\$9,024,130	\$1,300,300
Balance brought forward:			
Unobligated.....	53,094	2,423	
Obligated.....	75,995	56,443	30,000
Increase in prior year obligations.....	4,514		
Total budget authorizations available.....	7,822,653	9,082,996	1,330,300
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	7,761,666	9,052,996	1,330,300
Balance no longer available:			
Unobligated (expiring for obligation).....	1,631		
Other.....	490		
Balance carried forward:			
Unobligated.....	2,423		
Obligated.....	56,443	30,000	
Total expenditures and balances.....	7,822,653	9,082,996	1,330,300
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	7,761,666	9,052,996	1,330,300
Funds provided by operations.....	7,689,050	9,024,130	1,300,300
Net effect on budget expenditures out of receipts and balances of the fund.....	72,616	28,866	30,000

## SOIL CONSERVATION SERVICE

## Advances and Reimbursements, Soil Conservation Service

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
1. Trust fund charges for leave and mileage costs.....	\$720,951	\$741,000	\$749,000
2. Sale of maps and mosaics.....	295,092	303,000	307,000
3. Sale of personal property.....	303,531	368,900	304,000
4. Miscellaneous services to other accounts.....	369,073	323,630	395,000
Total obligations.....	1,688,647	1,736,530	1,755,000
<b>Financing:</b>			
Advances and reimbursements from—			
Other accounts.....	1,269,065	1,284,830	1,300,000
Non-Federal sources.....	419,582	451,700	455,000
Total financing.....	1,688,647	1,736,530	1,755,000

NOTE.—Reimbursements from non-Federal sources above are from State, county, municipal, and private organizations for soil and water conservation work rendered under cooperative agreements (5 U. S. C. 118e; 16 U. S. C. 590a-590f); from Government agencies, farmers, or other persons for reproduction of aerial and other photographs, mosaics and soils, land-use, and other maps (7 U. S. C. 1387); and from proceeds of sale of personal property (40 U. S. C. 481 (c)).

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Full-time equivalent of all other positions.....	5	4	4
Average number of all employees.....	33	34	36
Number of employees at end of year.....	0	0	0
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,493	\$4,830	\$4,847
Average grade.....	GS-6.5	GS-6.4	GS-6.5
01 Personal services:			
Permanent positions.....	\$169,720	\$141,500	\$152,700
Positions other than permanent.....	17,225	12,500	12,500
Payments above basic rates.....	223		
Total personal services.....	187,168	154,000	165,200
02 Travel.....	19,384	7,300	7,900
03 Transportation of things.....	369	400	500
04 Communication services.....	3,450	1,500	1,900
05 Rents and utility services.....	56,329	56,400	58,000
06 Printing and reproduction.....	113		
07 Other contractual services.....	867,075	874,630	876,100
08 Supplies and materials.....	150,530	172,300	175,000
09 Equipment.....	403,809	469,600	470,000
15 Taxes and assessments.....	420	400	400
Total obligations.....	1,688,647	1,736,530	1,755,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$1,688,647	\$1,736,530	\$1,755,000
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	1,688,647	1,736,530	1,755,000
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	1,688,647	1,736,530	1,755,000
Funds provided by operations.....	1,688,647	1,736,530	1,755,000
Net effect on budget expenditures out of receipts and balances of the fund.....			

## AGRICULTURAL CONSERVATION PROGRAM SERVICE

## Advances and Reimbursements, Agricultural Conservation Program Service

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
Cost-sharing assistance to farmers (total obligations).....	\$745,387	\$444,000	\$444,000
<b>Financing:</b>			
Advances and reimbursements from—			
Other accounts.....	503,495	300,000	300,000
Non-Federal sources (7 U. S. C. 1387).....	241,892	144,000	144,000
Total financing.....	745,387	444,000	444,000

## OBLIGATIONS BY OBJECTS

11 Grants, subsidies, and contributions—1955, \$745,387; 1956, \$444,000; 1957, \$444,000.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$745,387	\$444,000	\$444,000
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	745,387	444,000	444,000
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	745,387	444,000	444,000
Funds provided by operations.....	745,387	444,000	444,000
Net effect on budget expenditures out of receipts and balances of the fund.....			

## REVOLVING AND MANAGEMENT FUNDS—Continued

## INTRAGOVERNMENTAL FUNDS—Continued

## AGRICULTURAL MARKETING SERVICE

## Advances and Reimbursements, Agricultural Marketing Service

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
1. Research to extend storage life of fresh fruits and vegetables aboard naval vessels (Department of the Navy).....	\$9,307	\$5,000	\$5,000
2. Statistical training and services: Department of Agriculture.....	7,856		
Department of Commerce (Census).....	29,842	15,586	15,500
3. Machine tabulating service (Department of Agriculture).....	15,067	11,150	11,150
4. Market news service: Department of Agriculture.....	650	550	550
State agencies under cooperative agreements.....	113,472	150,650	150,650
5. Inspection, grading, classing, and standardization of agricultural products: Department of Agriculture.....	78,528	88,210	88,210
Department of Defense.....	35	2,665	2,665
Department of Justice.....	6,500	6,500	6,500
International Cooperation Administration.....	36,000	36,000	36,000
Treasury Department.....	46		
Tobacco growers associations.....	296,828	228,000	228,000
6. Miscellaneous (including proceeds from sale of equipment).....	30,266	27,559	27,275
Total obligations.....	624,397	571,870	571,500
<b>Financing:</b>			
Unobligated balance brought forward.....	54	3	
Advances and reimbursements from—			
Other accounts.....	198,094	167,942	167,575
Non-Federal sources.....	426,252	403,925	403,925
Unobligated balance carried forward.....	—3		
Total financing.....	624,397	571,870	571,500

NOTE.—Reimbursements from non-Federal sources above are from cooperating universities, and State, county, local, and private agricultural marketing agencies (5 U. S. C. 563, 564); from States, municipalities, persons or licensed tobacco inspectors for services rendered (7 U. S. C. 511e); from proceeds of sale of personal property (40 U. S. C. 481 (c)); and refund of terminal leave payments (5 U. S. C. 61b).

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	4	4	4
Average number of all employees.....	93	74	74
Number of employees at end of year.....	2	4	4
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,815	\$5,161	\$5,216
Average grade.....	GS-8.3	GS-7.5	GS-7.5
01 Personal services:			
Permanent positions.....	\$483,748	\$411,644	\$413,100
Regular pay above 52-week base.....	613	491	
Total personal services.....	484,361	412,135	413,100
02 Travel.....	53,792	52,850	52,600
03 Transportation of things.....	5,693	5,100	5,100
04 Communication services.....	44,443	52,085	52,000
05 Rents and utility services.....	4,017	8,800	8,800
06 Printing and reproduction.....	4,393	4,500	4,500
07 Other contractual services.....	4,383	3,900	3,900
Services performed by other agencies.....	1,325		
08 Supplies and materials.....	8,557	7,200	6,200
09 Equipment.....	12,021	24,200	24,200
13 Refunds, awards, and indemnities.....	73	100	100
15 Taxes and assessments.....	1,339	1,000	1,000
Total obligations.....	624,397	571,870	571,500

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$624,346	\$571,867	\$571,500
Balance brought forward:			
Unobligated.....	54	3	
Obligated.....	5,689	125	
Increase in prior year obligations.....	1,519		
Total budget authorizations available.....	631,608	571,995	571,500

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	\$631,480	\$571,995	\$571,500
Balance carried forward:			
Unobligated.....	3		
Obligated.....	125		
Total expenditures and balances.....	631,608	571,995	571,500
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	631,480	571,995	571,500
Funds provided by operations.....	624,346	571,867	571,500
Net effect on budget expenditures out of receipts and balances of the fund.....	7,134	128	

## FOREIGN AGRICULTURAL SERVICE

## Advances and Reimbursements, Foreign Agricultural Service

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
1. Training program in agriculture for Finnish nationals.....	\$3,476		
2. Other services performed.....	84,494	\$94,223	\$94,223
Total obligations.....	87,970	94,223	94,223
<b>Financing:</b>			
Advances and reimbursements from—			
Other accounts.....	87,304	94,223	94,223
Non-Federal sources (40 U. S. C. 481 (c)).....	666		
Total financing.....	87,970	94,223	94,223

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	21	21	21
Full-time equivalent of all other positions.....	1	1	1
Average number of all employees.....	15	16	16
Number of employees at end of year.....	8	21	21
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,568	\$5,961	\$5,961
Average grade.....	GS-8.1	GS-8.1	GS-8.1
01 Personal services:			
Permanent positions.....	\$77,200	\$84,075	\$84,265
Positions other than permanent.....	5,614	6,035	6,035
Regular pay above 52-week base.....	170	190	
Total personal services.....	82,984	90,300	90,300
04 Communication services.....		500	500
06 Printing and reproduction.....	964	1,500	1,500
07 Other contractual services.....		223	223
Services performed by other agencies.....		1,000	1,000
08 Supplies and materials.....	546	700	700
11 Grants, subsidies, and contributions.....	3,476		
Total obligations.....	87,970	94,223	94,223

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$87,970	\$94,223	\$94,223
Obligated balance brought forward.....	21,673	1,506	
Increase in prior year obligations.....	9,154		
Total budget authorizations available.....	118,797	95,729	94,223
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	117,291	95,729	94,223
Obligated balance carried forward.....	1,506		
Total expenditures and balances.....	118,797	95,729	94,223



## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	\$117,291	\$95,729	\$94,223
Funds provided by operations.....	87,970	94,223	94,223
Net effect on budget expenditures out of receipts and balances of the fund.....	29,321	1,506	

## COMMODITY EXCHANGE AUTHORITY

## Advances and Reimbursements, Commodity Exchange Authority

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
Supervision of futures trading (total obligations).....	\$37		
<b>Financing:</b>			
Advances and reimbursements from non-Federal sources (40 U. S. C. 481 (c)).....	37		

## OBLIGATIONS BY OBJECTS

09 Equipment—1955, \$37.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$37		
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	37		
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	37		
Funds provided by operations.....	37		
Net effect on budget expenditures out of receipts and balances of the fund.....			

## COMMODITY STABILIZATION SERVICE

## Administrative Expenses, Sec. 392, Agricultural Adjustment Act of 1938

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
National and State operating expenses (total obligations).....	\$13,885,126	\$16,435,185	\$16,665,565
<b>Financing:</b>			
Advances and reimbursements from—			
Agricultural conservation program, Agriculture.....	3,680,443	4,132,315	4,344,315
Agricultural adjustment programs.....	5,580,359	6,343,100	6,571,100
Sugar Act program.....	1,125,746	1,160,320	1,255,000
Disaster loans, etc., revolving fund, Department of Agriculture.....	146,000	215,000	
Other.....	3,593,593	4,584,450	4,495,150
Unobligated balance no longer available.....	-241,015		
Total financing.....	13,885,126	16,435,185	16,665,565

## PROGRAM AND PERFORMANCE

Under the Agricultural Adjustment Act of 1938, amounts estimated to be required for administrative expenses of the national and State offices are advanced to this account from several appropriations related to agricultural stabilization and conservation activities.

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>STATE AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEES AND NATIONAL OFFICE EXPENSES</b>			
Total number of permanent positions.....	2,333	2,461	2,557
Full-time equivalent of all other positions.....	82	94	92
Average number of all employees.....	2,165	2,481	2,526
Number of employees at end of year.....	2,410	2,540	2,580
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,192	\$4,499	\$4,523
Average grade.....	GS-5.3	GS-5.3	GS-5.4
01 Personal services:			
Permanent positions.....	\$9,952,767	\$11,952,891	\$12,202,962
Positions other than permanent.....	465,802	560,437	546,849
Regular pay above 52-week base.....	38,062	43,782	
Payment above basic rates.....	3,525	3,311	
Other payments for personal services.....	96,921	103,719	106,414
Total personal services.....	10,557,077	12,664,140	12,856,225
02 Travel.....	1,840,026	2,109,595	2,161,440
03 Transportation of things.....	75,599	90,603	88,930
04 Communication services.....	443,101	491,915	459,990
05 Rents and utility services.....	301,950	359,585	382,110
06 Printing and reproduction.....	33,410	29,768	31,040
07 Other contractual services.....	84,613	94,214	96,030
Services performed by other agencies.....	55,561	69,202	69,000
08 Supplies and materials.....	162,883	193,304	190,620
09 Equipment.....	69,396	67,791	66,440
13 Refunds, awards, and indemnities.....	7,831	3,976	3,000
15 Taxes and assessments.....	30,882	23,192	22,840
Total, State agricultural stabilization and conservation committees and national office expenses.....	13,662,329	16,197,285	16,427,665
<b>ALLOCATION TO AGRICULTURAL MARKETING SERVICE</b>			
Total number of permanent positions.....	47	45	45
Full-time equivalent of all other positions.....	2	5	5
Average number of all employees.....	48	49	49
Number of employees at end of year.....	42	45	45
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,205	\$4,564	\$4,591
Average grade.....	GS-5.2	GS-5.4	GS-5.5
01 Personal services:			
Permanent positions.....	\$199,017	\$199,990	\$200,772
Positions other than permanent.....	5,572	12,900	12,900
Regular pay above 52-week base.....	695	782	
Payment above basic rates.....	409	278	278
Total personal services.....	205,693	213,950	213,950
02 Travel.....	2,652	5,700	5,700
03 Transportation of things.....	49	1,000	1,000
04 Communication services.....	1,735	1,090	1,090
07 Other contractual services.....	1,352	1,450	1,450
08 Supplies and materials.....	5,834	6,900	6,900
09 Equipment.....	4,270	6,400	6,400
15 Taxes and assessments.....	412	610	610
Total, Agricultural Marketing Service.....	221,997	237,100	237,100
<b>ALLOCATION TO FEDERAL EXTENSION SERVICE</b>			
11 Grants, subsidies, and contributions.....	800	800	800
Total obligations.....	13,885,126	16,435,185	16,665,565

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$14,126,141	\$16,435,185	\$16,665,565
Obligated balance brought forward.....	1,340,579	1,187,071	1,200,071
Increase in prior year obligations.....	52,929		
Total budget authorizations available.....	15,519,649	17,622,256	17,865,636
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	14,076,256	16,422,185	16,565,565
Balance no longer available:			
Unobligated (expiring for obligation).....	241,015		
Other.....	15,307		
Obligated balance carried forward.....	1,187,071	1,200,071	1,300,071
Total expenditures and balances.....	15,519,649	17,622,256	17,865,636

## REVOLVING AND MANAGEMENT FUNDS—Continued

## INTRAGOVERNMENTAL FUNDS—Continued

## COMMODITY STABILIZATION SERVICE—Continued

*Administrative Expenses, Sec. 392, Agricultural Adjustment Act of 1938—Continued*

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
EFFECT ON BUDGET EXPENDITURES			
Funds applied to operations.....	\$14,076,256	\$16,422,185	\$16,565,565
Funds provided by operations.....	14,126,141	16,435,185	16,665,565
Net effect on budget expenditures out of receipts and balances of the fund.....	-49,885	-13,000	-100,000

*Local Administration, Sec. 388, Agricultural Adjustment Act of 1938, Agriculture*

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Operations by activities:			
Local operating expenses (total obligations).....	\$92,552,575	\$101,502,588	\$106,398,500
Financing:			
Advances and reimbursements (7 U. S. C. 1388) from—			
“Agricultural conservation program, Agriculture”.....	18,378,200	18,378,200	19,816,200
“Agricultural adjustment programs, Commodity Stabilization Service”.....	34,116,000	32,501,900	34,586,900
“Sugar Act program, Commodity Stabilization Service”.....	386,200	480,280	618,000
“Disaster loans, etc., revolving fund, Department of Agriculture”.....	969,000	1,028,808	-----
“Commodity Credit Corporation (storage and price support programs)”.....	40,123,429	42,334,000	44,150,000
Other.....	5,593,796	6,779,400	7,227,400
Unobligated balance no longer available.....	-7,014,050	-----	-----
Total financing.....	92,552,575	101,502,588	106,398,500

## PROGRAM AND PERFORMANCE

Under the Agricultural Adjustment Act of 1938, amounts estimated to be required by the county agricultural stabilization and conservation committees for carrying out the programs assigned to them are advanced to this account from the several appropriations available.

Payments to the county committees for their estimated expenses are deposited in the county committee bank accounts. Distribution of expenses paid from these bank accounts is as follows:

	1955 actual	1956 estimate	1957 estimate
Salaries.....	\$59,229,314	\$66,740,560	\$72,003,818
Travel.....	4,066,490	4,299,538	4,211,192
All other expenses.....	25,106,157	26,676,681	26,396,982
Total advances to agricultural stabilization and conservation county committees from local administration.....	88,401,961	97,716,779	102,611,992
Other obligations.....	4,150,614	3,785,809	3,786,508
Total obligations.....	92,552,575	101,502,588	106,398,500

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
COUNTY AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEES			
Total number of permanent positions.....	88	100	100
Full-time equivalent of all other positions.....	39	51	51
Average number of all employees.....	76	91	91
Number of employees at end of year.....	125	130	135
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,192	\$4,499	\$4,523
Average grade.....	GS-5.3	GS-5.3	GS-5.4

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
COUNTY AGRICULTURAL STABILIZATION AND CONSERVATION COMMITTEES—CON.			
01 Personal services:			
Permanent positions.....	\$285,006	\$359,384	\$359,384
Positions other than permanent.....	66,899	95,478	95,478
Regular pay above 52-week base.....	1,190	1,501	-----
Payment above basic rates.....	33,175	34,427	34,427
Total personal services.....	386,270	490,790	489,289
02 Travel.....	16,313	21,831	21,831
03 Transportation of things.....	33,077	34,383	34,383
04 Communication services.....	1,436,465	1,469,192	1,469,192
05 Rents and utility services.....	25,400	30,002	30,002
06 Printing and reproduction.....	-----	1,000	1,000
07 Other contractual services.....	667,261	376,339	376,339
08 Supplies and materials.....	1,482,531	1,255,732	1,255,732
09 Equipment.....	95,549	99,797	99,797
11 Grants, subsidies, and contributions.....	88,401,961	97,716,779	102,611,992
13 Refunds, awards, and indemnities.....	1,366	-----	-----
15 Taxes and assessments.....	1,882	2,243	2,243
Total, county agricultural stabilization and conservation committees.....	92,548,075	101,498,088	106,391,500
ALLOCATION TO FEDERAL EXTENSION SERVICE			
11 Grants, subsidies, and contributions.....	4,500	4,500	6,700
Total obligations.....	92,552,575	101,502,588	106,398,500

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements (funds provided by operations).....	\$99,566,625	\$101,502,588	\$106,398,500
Obligated balance brought forward.....	1,123,706	2,178,098	2,200,000
Increase in prior year obligations.....	3,838,631	-----	-----
Total budget authorizations available.....	104,528,962	103,680,686	108,598,500
EXPENDITURES AND BALANCES			
Funds applied to operations.....	95,208,931	101,480,686	106,198,500
Balance no longer available:			
Unobligated (expiring for obligation).....	7,014,050	-----	-----
Other.....	127,883	-----	-----
Obligated balance carried forward.....	2,178,098	2,200,000	2,400,000
Total expenditures and balances.....	104,528,962	103,680,686	108,598,500
EFFECT ON BUDGET EXPENDITURES			
Funds applied to operations.....	95,208,931	101,480,686	106,198,500
Funds provided by operations.....	99,566,625	101,502,588	106,398,500
Net effect on budget expenditures out of receipts and balances of the fund.....	-4,357,694	-21,902	-200,000

*Advances and Reimbursements, Commodity Stabilization Service*

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Operations by activities:			
1. Supply and foreign purchase program.....	\$570,019	\$428,200	\$230,000
2. International Wheat Agreement.....	193,936	235,000	235,000
3. National Wool Act.....	55,339	523,900	523,900
4. Grading of wool.....	150,733	-----	-----
5. Miscellaneous services to other accounts.....	12,232	3,993	-----
Total obligations.....	988,259	1,191,093	988,900
Financing:			
Unobligated balance brought forward.....	299,754	101,127	-----
Advances and reimbursements from—			
Other accounts.....	831,249	1,191,093	988,900
Non-Federal sources (40 U. S. C. 481 (c)).....	277	-----	-----
Returned to parent account.....	-41,894	-101,127	-----
Unobligated balance carried forward.....	-101,127	-----	-----
Total financing.....	988,259	1,191,093	988,900



## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	174	125	92
Average number of all employees.....	150	119	88
Number of employees at end of year.....	108	105	79
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,192	\$4,499	\$4,523
Average grade.....	GS-5.3	GS-5.3	GS-5.4
01 Personal services:			
Permanent positions.....	\$781,757	\$692,357	\$523,375
Positions other than permanent.....	1,208		
Regular pay above 52-week base.....	3,020	2,593	
Payment above basic rate.....	7,594	3,243	1,888
Other payments for personal services.....		3	
Total personal services.....	793,579	698,196	525,263
02 Travel.....	59,182	39,724	33,874
03 Transportation of things.....	4,697	1,377	1,020
04 Communication services.....	27,159	24,567	18,854
05 Rents and utility services.....	14,932	11,770	7,744
06 Printing and binding.....	21,109	22,710	20,332
07 Other contractual services.....	5,497	3,786	2,644
Services performed by other agencies.....	51,742	381,143	373,300
08 Supplies and materials.....	6,400	5,266	3,759
09 Equipment.....	1,259	1,328	1,328
13 Refunds, awards, and indemnities.....	122	137	109
15 Taxes and assessments.....	2,581	1,089	673
Total obligations.....	988,259	1,191,093	988,900

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements (funds provided by operations).....	\$831,526	\$1,191,093	\$988,900
Balance brought forward:			
Unobligated.....	299,754	101,127	
Obligated.....	16,584	1,364	
Total budget authorizations available.....	1,147,864	1,293,584	988,900
EXPENDITURES AND BALANCES			
Funds applied to operations.....	1,045,373	1,293,584	988,900
Balance carried forward:			
Unobligated.....	101,127		
Obligated.....	1,364		
Total expenditures and balances.....	1,147,864	1,293,584	988,900
EFFECT ON BUDGET EXPENDITURES			
Funds applied to operations.....	1,045,373	1,293,584	988,900
Funds provided by operations.....	831,526	1,191,093	988,900
Net effect on budget expenditures out of receipts and balances of the fund.....	213,847	102,491	

## FEDERAL CROP INSURANCE CORPORATION

## Advances and Reimbursements, Federal Crop Insurance Corporation

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Operations by activities:			
1. Underwriting and actuarial analysis.....	\$155	\$200	
2. Contract sales and servicing.....	3,504	1,800	
3. Crop inspections and loss adjustments.....	468	500	
Total obligations.....	4,127	2,500	
Financing:			
Advances and reimbursements from—			
Other accounts.....	2,942	1,000	
Non-Federal sources (40 U. S. C. 481 (c)).....	1,185	1,500	
Total financing.....	4,127	2,500	

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Full-time equivalent of all other positions.....	1		
Average number of all employees.....	1		
Number of employees at end of year.....	0		

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
01 Personal services: Positions other than permanent.....	\$1,320		
02 Travel.....	744		
06 Printing and reproduction.....	852	\$1,000	
09 Equipment.....	1,185	1,500	
15 Taxes and assessments.....	26		
Total obligations.....	4,127	2,500	

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements (funds provided by operations).....	\$4,127	\$2,500	
EXPENDITURES AND BALANCES			
Funds applied to operations.....	4,127	2,500	
EFFECT ON BUDGET EXPENDITURES			
Funds applied to operations.....	4,127	2,500	
Funds provided by operations.....	4,127	2,500	
Net effect on budget expenditures out of receipts and balances of the fund.....			

## RURAL ELECTRIFICATION ADMINISTRATION

## Advances and Reimbursements, Rural Electrification Administration

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
Operations by activities:			
1. Administration of rural electrification program.....	\$6,751		
2. Administration of rural telephone program.....	2,381		
Total obligations.....	9,132		
Financing:			
Advances and reimbursements from—			
Other accounts.....	8,625		
Non-Federal sources (40 U. S. C. 481 (c)).....	507		
Total financing.....	9,132		

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Average number of all employees.....	1		
Number of employees at end of year.....	0		
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$6,160		
Average grade.....	GS-9.2		
01 Personal services: Permanent positions.....	\$8,625		
09 Equipment.....	507		
Total obligations.....	9,132		

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
BUDGET AUTHORIZATIONS AVAILABLE			
Advances and reimbursements (funds provided by operations).....	\$9,132		
EXPENDITURES AND BALANCES			
Funds applied to operations.....	9,132		
EFFECT ON BUDGET EXPENDITURES			
Funds applied to operations.....	9,132		
Funds provided by operations.....	9,132		
Net effect on budget expenditures out of receipts and balances of the fund.....			

## REVOLVING AND MANAGEMENT FUNDS—Continued

## INTRAGOVERNMENTAL FUNDS—Continued

## FARMERS' HOME ADMINISTRATION

## Advances and Reimbursements, Farmers' Home Administration

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
Administration of direct and insured loan programs (total obligations).....	\$110,949	\$130,000	\$130,000
<b>Financing:</b>			
Advances and reimbursements from—			
Other accounts.....	93,809	110,000	110,000
Non-Federal sources (40 U. S. C. 481 (c)).....	17,140	20,000	20,000
Total financing.....	110,949	130,000	130,000

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	16	15	15
Average number of all employees.....	14	16	16
Number of employees at end of year.....	16	15	15
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,405	\$4,307	\$4,330
Average grade.....	GS-5.1	GS-4.5	GS-4.5
<b>01 Personal services:</b>			
Permanent positions.....	\$62,345	\$69,410	\$69,750
Regular pay above 52-week base.....	291	245	
Payments above basic rates.....	2,279	1,000	
Total personal services.....	64,915	70,655	69,750
<b>03 Transportation of things:</b>			
Regular pay above 52-week base.....	1,138	2,000	2,000
<b>05 Rents and utility services:</b>			
Regular pay above 52-week base.....	25,979	34,692	35,297
<b>07 Other contractual services:</b>			
Regular pay above 52-week base.....	2,915	4,653	4,953
<b>09 Equipment:</b>			
Regular pay above 52-week base.....	16,002	18,000	18,000
Total obligations.....	110,949	130,000	130,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$110,949	\$130,000	\$130,000
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	110,949	130,000	130,000
<b>EFFECTS ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	110,949	130,000	130,000
Funds provided by operations.....	110,949	130,000	130,000
Net effect on budget expenditures out of receipts and balances of the fund.....			

## OFFICE OF THE GENERAL COUNSEL

## Advances and Reimbursements, Office of the General Counsel

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
1. Agricultural credit and conservation.....	\$626	\$600	\$600
2. Commodity credit, production and adjustment programs.....	329	300	300
3. Marketing and regulatory laws.....	180	180	180
4. Agricultural research and staff legal services.....	118	120	120
Total obligations.....	1,253	1,200	1,200
<b>Financing:</b>			
Advances and reimbursements from non-Federal sources (40 U. S. C. 481 (c)).....	1,253	1,200	1,200

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
07 Other contractual services.....	\$57		
09 Equipment.....	1,196	\$1,200	\$1,200
Total obligations.....	1,253	1,200	1,200

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$1,253	\$1,200	\$1,200
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	1,253	1,200	1,200
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	1,253	1,200	1,200
Funds provided by operations.....	1,253	1,200	1,200
Net effect on budget expenditures out of receipts and balances of the fund.....			

## OFFICE OF THE SECRETARY

## Working Capital Fund, Department of Agriculture

## PROGRAM AND PERFORMANCE

This fund finances, on a reimbursable basis, certain central services in the Department of Agriculture including duplicating, photographic, art and graphics, motion picture, tabulating, motor-transport, and supply services. The capital consists of \$0.4 million appropriated and \$0.5 million donated assets, as of June 30, 1955.

## A. Statement of sources and application of funds

	1955 actual	1956 estimate	1957 estimate
<b>FUNDS APPLIED</b>			
<b>To operations:</b>			
Central supply service:			
Acquisition of assets: Equipment.....	\$764		
Expenses:			
Purchases of materials.....	553,635	\$540,000	\$540,000
Other expenses.....	106,300	110,000	110,000
Total, central supply service.....	660,699	650,000	650,000
Reproduction service:			
Acquisition of assets: Equipment.....	3,658	52,000	40,000
Expenses:			
Purchases of materials.....	275,358	300,000	300,000
Other expenses.....	512,005	518,000	518,000
Total, reproduction service.....	791,021	870,000	858,000
Motor-transport service:			
Expenses:			
Purchases of materials.....	3,727	3,800	3,800
Other expenses.....	22,894	23,200	23,200
Total, motor-transport service.....	26,621	27,000	27,000
U. S. D. A. publication: Expenses.....	21,945	22,000	22,000
Art and graphics service:			
Acquisition of assets: Equipment.....	943	1,000	1,000
Expenses:			
Purchases of materials.....	630	1,500	1,700
Other expenses.....	145,249	144,000	145,800
Total, art and graphics service.....	146,822	146,500	148,500
Motion-picture service:			
Acquisition of assets: Equipment.....	19,104	55,000	35,000
Expenses:			
Purchases of materials.....	81,246	110,000	114,000
Other expenses.....	367,555	370,000	372,000
Total, motion-picture service.....	467,905	535,000	521,000



## A. Statement of sources and application of funds—Continued

	1955 actual	1956 estimate	1957 estimate
<b>FUNDS APPLIED—Continued</b>			
<b>To operations—Continued</b>			
Still photographic service:			
Acquisition of assets: Equipment.....	\$3,073	\$10,000	\$10,000
Expenses:			
Purchases of materials.....	9,172	13,000	12,500
Other expenses.....	99,544	97,000	99,500
Total, still photographic service.....	111,789	120,000	122,000
Selected working capital absorbed.....	18,890		
Total applied to operations.....	2,245,692	2,370,500	2,348,500
<b>To financing:</b>			
Increase in Treasury cash.....	24,458		
Total funds applied.....	2,270,150	2,370,500	2,348,500
<b>FUNDS PROVIDED</b>			
<b>By operations:</b>			
Central supply service: Income: Sales of goods and services.....	628,867	650,700	650,700
Reproduction service: Income: Sales of goods and services.....	826,992	828,000	828,000
Motor-transport service: Income: Sales of goods and services.....	27,569	28,600	28,600
U. S. D. A. publication: Income: Sales of goods and services.....	21,945	22,000	22,000
Art and graphics service: Income: Sales of goods and services.....	136,189	158,000	150,000
Motion-picture service: Income: Sales of goods and services.....	507,333	500,000	505,000
Still photographic service: Income: Sales of goods and services.....	93,202	130,000	115,000
Decrease in selected working capital.....	28,053	39,500	1,500
Total provided by operations.....	2,270,150	2,356,800	2,300,800
<b>By financing:</b>			
Decrease in Treasury cash.....		13,700	47,700
Total funds provided.....	2,270,150	2,370,500	2,348,500

## EFFECT ON BUDGET EXPENDITURES

Funds applied to operations.....	\$2,245,692	\$2,370,500	\$2,348,500
Funds provided by operations.....	2,270,150	2,356,800	2,300,800
Net effect on budget expenditures.....	-24,458	13,700	47,700
The above are charged or credited (-) to net receipts of the fund.....	-24,458	13,700	47,700

## B. Statement of income and expense

	1955 actual	1956 estimate	1957 estimate
<b>CENTRAL SUPPLY SERVICE</b>			
<b>Income:</b>			
Sales of goods and services.....	\$628,867	\$650,700	\$650,700
<b>Expenses:</b>			
Cost of materials sold:			
Purchases of materials.....	553,635	540,000	540,000
Changes in materials inventory.....	-15,162		
Other expenses.....	106,300	110,000	110,000
Depreciation on equipment.....	782	700	700
Total expenses.....	645,555	650,700	650,700
Net operating loss (-).....	-16,688		
Nonoperating loss (-):			
Loss on equipment disposal.....	-6		
Net loss (-), Central Supply Service.....	-16,694		
<b>REPRODUCTION SERVICE</b>			
<b>Income:</b>			
Sales of goods and services.....	826,992	828,000	828,000
<b>Expenses:</b>			
Cost of materials sold:			
Purchases of materials.....	275,358	300,000	300,000
Changes in materials inventory.....	-433		
Other expenses.....	512,005	518,000	518,000
Depreciation on equipment.....	9,595	10,000	10,000
Total expenses.....	796,525	828,000	828,000
Net operating income.....	30,467		
Nonoperating loss:			
Loss on equipment disposal.....	-47		
Net income, reproduction service.....	30,420		

## B. Statement of income and expense—Continued

	1955 actual	1956 estimate	1957 estimate
<b>MOTOR-TRANSPORT SERVICE</b>			
<b>Income:</b>			
Sales of goods and services.....	\$27,569	\$28,600	\$28,600
<b>Expenses:</b>			
Cost of materials sold:			
Purchases of materials.....	3,727	3,800	3,800
Changes in material inventory.....	39		
Other expenses.....	22,894	23,200	23,200
Depreciation on equipment.....	1,777	1,600	1,600
Total expenses.....	28,437	28,600	28,600
Net operating loss (-).....	-868		
Nonoperating loss (-):			
Loss on equipment disposal.....	-28		
Net loss (-), motor-transport service.....	-896		
<b>U. S. D. A. PUBLICATION</b>			
<b>Income:</b>			
Sales of goods and services.....	21,945	22,000	22,000
<b>Expenses:</b>			
	21,945	22,000	22,000
Net income, U. S. D. A. publication.....			
<b>ART AND GRAPHICS SERVICE</b>			
<b>Income:</b>			
Sales of goods and services.....	136,189	158,000	150,000
<b>Expenses:</b>			
Cost of materials sold:			
Purchases of materials.....	630	1,500	1,700
Changes in materials inventory.....	895	300	
Other expenses.....	145,249	144,000	145,800
Depreciation on equipment.....	684	700	1,000
Total expenses.....	147,458	146,500	148,500
Net income or loss (-), art and graphics service.....	-11,269	11,500	1,500
<b>MOTION-PICTURE SERVICE</b>			
<b>Income:</b>			
Sales of goods and services.....	507,333	500,000	505,000
<b>Expenses:</b>			
Cost of materials sold:			
Purchases of materials.....	81,246	110,000	114,000
Changes in material inventory.....	31,304	2,000	-1,000
Other expenses.....	367,555	370,000	372,000
Depreciation on equipment.....	16,229	18,000	20,000
Total expenses.....	496,334	500,000	505,000
Net income, motion-picture service.....	10,999		
<b>STILL PHOTOGRAPHIC SERVICE</b>			
<b>Income:</b>			
Sales of goods and services.....	93,202	130,000	115,000
<b>Expenses:</b>			
Cost of materials sold:			
Purchases of materials.....	9,172	13,000	12,500
Changes in material inventory.....	-156		-500
Other expenses.....	99,544	97,000	99,500
Depreciation on equipment.....	1,884	2,000	3,000
Total expenses.....	110,444	112,000	114,500
Net operating income or loss (-), still photographic service.....	-17,242	18,000	500
Net income or loss (-) for the year.....	-4,682	29,500	2,000
<b>ANALYSIS OF RETAINED EARNINGS</b>			
Retained earnings, beginning of year.....	26,488	21,806	51,306
Retained earnings, end of year.....	21,806	51,306	53,306

## C. Statement of financial condition

	1955 actual	1956 estimate	1957 estimate
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash with Treasury:			
Revolving fund account.....	\$506,873	\$493,173	\$445,473
Deposit fund accounts.....	31,021	31,021	31,021
Accounts receivable.....	361,958	323,958	313,958
Inventories:			
Supplies and materials for resale.....	170,893	168,593	170,093
Work in process.....	16,505	16,505	16,505
Prepaid expenses.....	5,441	3,041	641
Total current assets.....	1,092,691	1,036,291	977,691

## REVOLVING AND MANAGEMENT FUNDS—Continued

## INTRAGOVERNMENTAL FUNDS—Continued

## OFFICE OF THE SECRETARY—Continued

## Working Capital Fund, Department of Agriculture—Continued

## C. Statement of financial condition—Continued

	1955 actual	1956 estimate	1957 estimate
<b>ASSETS—Continued</b>			
Fixed assets:			
Equipment.....	\$575,290	\$693,290	\$779,290
Less portion charged off as depreciation.....	368,218	401,218	437,518
Net fixed assets.....	207,072	292,072	341,772
Total assets.....	1,299,763	1,328,363	1,319,463
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable.....	119,632	138,732	127,832
Accrued expenses.....	204,812	184,812	184,812
Deposit liabilities.....	31,021	31,021	31,021
Total liabilities.....	355,465	354,565	343,665
<b>INVESTMENT OF U. S. GOVERNMENT</b>			
Principal of fund:			
Appropriation.....	400,000	400,000	400,000
Donated assets, net.....	522,492	522,492	522,492
Total principal.....	922,492	922,492	922,492
Retained earnings.....	21,806	51,306	53,306
Total investment of U. S. Government.....	944,298	973,798	975,798
Total liabilities and investment of U. S. Government.....	1,299,763	1,328,363	1,319,463

NOTE.—Obligated balances are as follows: June 30, 1954, —\$13,512; 1955, \$22,967; 1956, \$61,545; 1957, \$63,045. (Negative figure represents receivables, etc., in excess of obligations.)

Unobligated balances are as follows: June 30, 1954, \$495,927; 1955, \$483,906; 1956, \$431,628; 1957, \$382,428.

Cash balance with Treasury on June 30, 1954, was \$482,415.

## SCHEDULE A-1. Accrued expenditures by objects

Object classification	1955 actual	1956 estimate	1957 estimate
<b>ALLOTMENT TO OFFICE OF THE SECRETARY</b>			
Total number of permanent positions.....	165	166	166
Average number of all employees.....	161	163	163
Number of employees at end of year.....	163	166	166
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$3,797	\$4,107	\$4,123
Average grade.....	GS-4.0	GS-3.9	GS-3.9
Ungraded positions: Average salary.....	\$3,684	\$3,695	\$3,713
01 Personal services:			
Permanent positions.....	\$609,936	\$633,522	\$636,000
Regular pay above 52-week base.....	2,343	2,478	—
Payment above basic rates.....	22,280	20,000	20,000
Excess of annual leave earned over leave taken.....	2,617	—	—
Total personal services.....	637,176	656,000	656,000
02 Travel.....	118	—	—
03 Transportation of things.....	594	600	600
04 Communication services.....	1,792	1,800	1,800
05 Rents and utility services.....	178	200	200
06 Printing and reproduction.....	8,508	8,600	8,600
07 Other contractual services.....	4,960	5,000	5,000
08 Supplies and materials.....	\$41,536	\$43,800	\$43,800
09 Equipment.....	4,422	52,000	40,000
13 Refunds, awards, and indemnities.....	47	—	—
15 Taxes and assessments.....	955	1,000	1,000
Total, Office of the Secretary.....	1,500,286	1,569,000	1,557,000
<b>ALLOTMENT TO OFFICE OF INFORMATION</b>			
Total number of permanent positions.....	96	90	90
Average number of all employees.....	93	93	92
Number of employees at end of year.....	90	90	90
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,924	\$5,470	\$5,550
Average grade.....	GS-7.3	GS-7.6	GS-7.6

## SCHEDULE A-1. Accrued expenditures by objects—Continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>ALLOTMENT TO OFFICE OF INFORMATION—continued</b>			
01 Personal services:			
Permanent positions.....	\$474,956	\$505,385	\$510,682
Regular pay above 52-week base.....	1,543	1,881	—
Payment above basic rates.....	6,896	—	—
Excess of annual leave earned over leave taken.....	4,417	—	—
Other payments for personal services.....	2,355	—	—
Total personal services.....	490,167	507,266	510,682
02 Travel.....	10,850	12,000	12,000
03 Transportation of things.....	2,311	2,500	2,500
04 Communication services.....	3,247	3,500	3,500
06 Printing and reproduction.....	4,632	5,000	5,000
07 Other contractual services.....	55,455	60,000	60,000
Services performed by other agencies.....	9,812	10,000	10,000
08 Supplies and materials.....	123,901	134,234	140,818
09 Equipment.....	25,134	66,000	46,000
15 Taxes and assessments.....	1,007	1,000	1,000
Total, Office of Information.....	726,516	801,500	791,500
Total accrued expenditures.....	2,226,802	2,370,500	2,348,500

## Advances and Reimbursements, Office of the Secretary of Agriculture

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
1. General administration.....	\$763	—	—
2. Personnel administration and service:			
Department of Agriculture.....	103,636	\$43,152	—
Miscellaneous services to other accounts.....	2,521	2,720	\$2,720
3. Budgetary and financial administration and service.....	4,479	—	—
4. General operations.....	100	—	—
Total obligations.....	111,499	45,872	2,720
<b>Financing:</b>			
Advances and reimbursements from—			
Other accounts.....	110,578	45,872	2,720
Non-Federal sources (40 U. S. C. 481 (c)).....	945	—	—
Unobligated balance no longer available.....	—24	—	—
Total financing.....	111,499	45,872	2,720

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	16	5	—
Average number of all employees.....	17	5	—
Number of employees at end of year.....	15	5	—
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$5,337	\$6,869	—
Average grade.....	GS-7.9	GS-10.0	—
01 Personal services:			
Permanent positions.....	\$92,919	\$35,927	\$2,720
Regular pay above 52-week base.....	316	130	—
Payment above basic rates.....	209	—	—
Total personal services.....	93,444	36,057	2,720
02 Travel.....	15,527	9,720	—
06 Printing and reproduction.....	1,354	—	—
07 Other contractual services.....	47	—	—
08 Supplies and materials.....	132	95	—
09 Equipment.....	945	—	—
13 Refunds, awards, and indemnities.....	50	—	—
Total obligations.....	111,499	45,872	2,720

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$111,523	\$45,872	\$2,720
Obligated balance brought forward.....	1,189	465	492



## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE—continued</b>			
Increase in prior year obligations.....	\$2,287		
Total budget authorizations available.....	114,999	\$46,337	\$3,212
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	114,497	45,845	3,212
Balance no longer available:			
Unobligated (expiring for obligation).....	24		
Other.....	13		
Obligated balance carried forward.....	465	492	
Total expenditures and balances.....	114,999	46,337	3,212
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	114,497	45,845	3,212
Funds provided by operations.....	111,523	45,872	2,720
Net effect on budget expenditures out of receipts and balances of the fund.....	2,974	-27	492

## OFFICE OF INFORMATION

## Advances and Reimbursements, Office of Information

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
1. Review and distribution of current agricultural information.....	\$5,259		
2. Review, preparation, and distribution of visual agricultural information.....	24,400		
Total obligations.....	29,659		
<b>Financing:</b>			
Advances and reimbursements from—			
Other accounts.....	24,327		
Non-Federal sources.....	5,332		
Total financing.....	29,659		

NOTE.—Reimbursements from non-Federal sources above are from proceeds of sales of personal property (40 U. S. C. 481 (c)) and the furnishing of reproductions of photographs and motion picture footage (7 U. S. C. 1387).

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	3		
Average number of all employees.....	2		
Number of employees at end of year.....	3		
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$7,765		
Average grade.....	GS-11.0		
01 Personal services:			
Permanent positions.....	\$16,769		
Regular pay above 52-week base.....	30		
Total personal services.....	16,799		
02 Travel.....	121		
03 Transportation of things.....	315		
06 Printing and reproduction.....	7,650		
07 Other contractual services.....	240		
Services performed by other agencies.....	1,812		
08 Supplies and materials.....	2,606		
09 Equipment.....	116		
Total obligations.....	29,659		

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$29,659		
Increase in prior year obligations.....	988		
Total budget authorizations available.....	30,647		

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	\$30,647		
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	30,647		
Funds provided by operations.....	29,659		
Net effect on budget expenditures of receipts and balances of the fund.....	988		

## LIBRARY

## Advances and Reimbursements, Library

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
1. Agricultural library services (primarily photographic reproductions—includes Departments of Agriculture, Health, Education, and Welfare, Interior, Commerce, Defense, and State) (total obligations).....	\$105,215	\$107,000	\$55,300
<b>Financing:</b>			
Advances and reimbursements from—			
Other accounts.....	69,164	77,000	25,300
Non-Federal sources (5 U. S. C., 552a).....	36,192	30,000	30,000
Unobligated balance no longer available.....	-141		
Total financing.....	105,215	107,000	55,300

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	20	20	11
Average number of all employees.....	18	19	10
Number of employees at end of year.....	15	14	11
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$3,771	\$4,138	\$4,004
Average grade.....	GS-4.6	GS-4.9	GS-4.2
01 Personal services:			
Permanent positions.....	\$71,740	\$80,700	\$41,100
Regular pay above 52-week base.....	286	300	
Payment above basic rates.....	998		
Total personal services.....	73,024	81,000	41,100
04 Communication services.....	3,515	3,500	2,500
06 Printing and reproduction.....	278	300	200
07 Other contractual services.....	187	200	100
Services performed by other agencies.....	798	700	600
08 Supplies and materials.....	12,095	11,000	5,540
09 Equipment.....	14,905	9,920	5,000
13 Refunds, awards, and indemnities.....	20	30	10
15 Taxes and assessments.....	333	350	250
Total obligations.....	105,215	107,000	55,300

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$105,356	\$107,000	\$55,300
Obligated balance brought forward.....		105	213
Total budget authorizations available.....	105,356	107,105	55,513
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	105,110	106,892	55,367
Unobligated balance no longer available (expiring for obligation).....	141		
Obligated balance carried forward.....	105	213	146
Total expenditures and balances.....	105,356	107,105	55,513
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	105,110	106,892	55,367
Funds provided by operations.....	105,356	107,000	55,300
Net effect on budget expenditures out of receipts and balances of the fund.....	-246	-108	67

## GENERAL PROVISIONS

SEC. 501. Within the unit limit of cost fixed by law, the lump-sum appropriations and authorizations made for the Department under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed [535] 755 passenger motor vehicles for replacement only, and for the hire of such vehicles, necessary in the conduct of the work of the Department outside the District of Columbia.

SEC. 502. Provisions of law prohibiting or restricting the employment of aliens shall not apply to [(1) the temporary employment of translators when competent citizen translators are not available; (2) employment in cases of emergency of persons in the field service of the Department for periods of not more than sixty days; and (3)] employment under the appropriation for the Foreign Agricultural Service.

SEC. 503. Of appropriations herein made which are available for the purchase of lands, not to exceed \$1 may be expended for each option to purchase any particular tract or tracts of land.

SEC. 504. No part of the funds appropriated by this Act shall be used for the payment of any officer or employee of the Department who, as such officer or employee, or on behalf of the Department or any division, commission, or bureau thereof, issues, or causes to be issued, any prediction, oral or written, or forecast, except as to damage threatened or caused by insect and pests, with respect to future prices of cotton or the trend of same.

SEC. 505. Except to provide materials required in or incident to research or experimental work where no suitable domestic product is available, no part of the funds appropriated by this Act shall be expended in the purchase of twine manufactured from commodities or materials produced outside of the United States.

SEC. 506. Not less than \$1,500,000 of the appropriations of the Department for research and service work authorized by the Act of August 14, 1946 (7 U. S. C. 427, 1621-1629), and the Act of July 28, 1954 (Public Law 545), shall be available for contracting in accordance with said Acts.

[SEC. 507. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization

that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That nothing in this section shall be construed to require an affidavit from any person employed for less than sixty days for sudden emergency work involving the loss of human life or destruction of property, the payment of salary or wages may be made to such persons from applicable appropriations for services rendered in such emergency without execution of the affidavit contemplated by this section.]

SEC. [508] 507. No part of any appropriation contained in this Act or of the funds available for expenditure by any corporation or agency included in this Act shall be used for publicity or propaganda purposes to support or defeat legislation pending before the Congress.

SEC. [509] 508. Appropriations of the Department available for research and service work authorized by the Act of August 14, 1946 (7 U. S. C. 427, 1621-1629) shall be available for expenses of any advisory committee established as provided in title III of said Act to assist in effectuating the research and service work of the Department. (*Department of Agriculture and Farm Credit Administration Appropriation Act, 1956.*)

## Statement of proposed obligations for purchase and hire of passenger motor vehicles for the fiscal year 1957

## DEPARTMENT OF AGRICULTURE

Appropriation	Motor vehicles to be purchased		Old vehicles to be exchanged		Net cost of vehicles to be purchased	Old vehicles still to be used	Cost of hire of motor vehicles	Users and public purpose
	Number	Gross cost	Number	Allowance (estimated)				
AGRICULTURAL RESEARCH SERVICE								
Salaries and expenses:								
Research.....	84	\$113,400	87	\$10,875	\$102,525	285	\$1,500	Scientific and technical personnel: For necessary field travel in carrying out research programs on agricultural problems relating to production and utilization of agricultural products, including use of 1 station wagon at National Arboretum in Washington, D. C. Research Administrator and staff members: Use of 1 car for transportation in District of Columbia.
Station wagon.....	4	7,600	3	450	7,150	34		Do.
Plant and animal disease and pest control.....	218	294,300	218	27,250	267,050	597	10,000	Inspection personnel and control supervisors: Transportation to farms, ranches, and other premises in field and urban locations in carrying out plant and animal disease and pest control programs, including inspection and quarantine work.
Station wagon.....						10		Do.
Meat inspection.....	10	13,500	10	1,250	12,250	43	11,000	Inspection personnel: Transportation to slaughterhouses and meatpacking plants in urban centers, including field station in District of Columbia, in carrying out provisions of laws relating to Federal inspection of meat and meat-food products.
Foot-and-mouth and other contagious diseases of animals and poultry:								
Eradication activities.....						3		Codirector of Mexican-United States Commission and supervisory officials: Travel in connection with prevention of foot-and-mouth disease in Mexico.
Research.....						1		Officials and employees at Plum Island, N. Y., laboratory: For use in transporting employees from ferry to laboratory and return. No private vehicles allowed on island.
Station wagon.....						1		Do.
Amulance.....						1		Do.
Bus.....	2	8,000			8,000	3		Do.
Working capital fund, agricultural research center.....	1	1,350	1	125	1,225	5		Superintendent, engineers, and other officials: Transportation in supervising and inspecting maintenance and operation of agricultural research center and for transporting officials and visiting agricultural leaders to and from various sections of the center.
Research on strategic and critical agricultural materials: Station wagon.....						1		Technical workers and their assistants: For use in planning and carrying forward work of Department on agricultural materials determined to be strategic and critical pursuant to sec. 7 (h) of Stockpiling Act.
Total, Agricultural Research Service.....	319	438,150	319	39,950	398,200	984	122,500	

<sup>1</sup> Represents payments to another agency for motor pool rentals.



## Statement of proposed obligations for purchase and hire of passenger motor vehicles for the fiscal year 1957—Continued

## DEPARTMENT OF AGRICULTURE—Continued

Appropriation	Motor vehicles to be purchased		Old vehicles to be exchanged		Net cost of vehicles to be purchased	Old vehicles still to be used	Cost of hire of motor vehicles	Users and public purpose
	Number	Gross cost	Number	Allowance (estimated)				
FOREST SERVICE								
Working capital fund.....	111	\$149,850	131	\$25,000	\$124,850	550	\$16,000	Chief of Forest Service and staff: Use of 1 car for transportation in District of Columbia. Forest rangers, forest supervisors, regional foresters, directors, and other field officers: For use in protection, management, utilization, and development of national forests; and in management of land utilization projects; for transportation in connection with forest pest control activities; for use at research center experimental forests and ranges on field research projects and forest survey; for travel in connection with improving forest practices on private forest lands; and for use in directing and inspecting road construction and maintenance. Do.
Station wagon.....	22	36,000	2	600	35,400	20		
Total, Forest Service.....	133	185,850	133	25,600	160,250	570	\$16,000	
SOIL CONSERVATION SERVICE								
Conservation operations.....	196	264,600	218	65,400	199,200	811	\$25,000	State and area conservationists, technical specialists, and survey supervisors: Transportation in connection with inspection and supervision of conservation district activities. Administrator and other staff officials: Use of 1 car for transportation in District of Columbia. Do.
Station wagon.....			8	2,400	-2,400	3		
Flood prevention.....	8	10,800	8	2,400	8,400	50		
Watershed protection.....						23		Project personnel: Transportation in connection with making surveys and investigations of watersheds and negotiations with local sponsors of watershed projects; and planning for and supervising installation of works of improvement in watershed project areas. Do.
Station wagon.....	30	49,500			49,500			
Water conservation and utilization projects.	1	1,350	1	300	1,050	4		Water conservation and utilization project technicians: Transportation in connection with the planning, development, operation, and management of water conservation and utilization projects.
Total, Soil Conservation Service.	235	326,250	235	70,500	255,750	891	\$25,000	
AGRICULTURAL MARKETING SERVICE								
Marketing Research and Service: Marketing research and agricultural estimates.	16	21,600	16	4,800	16,800	50	2,000	Research and technical specialists: For use in supervising, directing, and carrying out research programs on agricultural problems. Field statisticians: Transportation to and from important agricultural areas in preparation of crop and livestock estimates. Market news reporters: For use in gathering and disseminating news of market conditions for various farm crops and livestock. Inspectors and graders: For inspection, classing, and grading of farm products, including work required under Cotton, Tobacco, Naval Stores and Grain Standards Acts. Administrator and other staff officials: Use of 1 car for transportation in District of Columbia. Marketing specialists, inspectors and graders: Transportation to and from warehouses, stockyards, markets, railroad yards, piers and other places for licensing or registration, supervision of operations of licensees to assure compliance, collection of samples for testing, handling of violations with respect to administration of United States Warehouse, Federal Seed, Packers and Stockyards, and Naval Stores Acts.
Marketing services.....	39	52,650	39	11,700	40,950	150	13,000	
Station wagon.....						1		Marketing specialists and inspectors: For transportation to and from railroad yards and piers in connection with United States Grain Standards Act. Inspectors and graders: For use in inspecting and grading farm and food products—paid from funds advanced by producers for whom services are performed. Do.
Expenses and refunds, inspection and grading of farm products, Agriculture.	17	22,950	17	5,100	17,850	103	10,500	
Station wagon.....						1		Marketing specialists: Transportation to and from offices of produce dealers and truckers in investigating complaints and violations and checking establishments for compliance with license provisions under Perishable Agricultural Commodities and Produce Agency Act—paid from license fees collected.
Perishable Agricultural Commodities Act Fund, Agriculture.	1	1,350	1	300	1,050	2	4,500	
Total, Agricultural Marketing Service.	73	98,550	73	21,900	76,650	307	\$30,000	
FOREIGN AGRICULTURAL SERVICE								
Salaries and expenses.....						1		Administrator and other officials, for Foreign Agricultural Service: Transportation to and from official conferences and meetings in Washington, D. C., with Members of Congress, U. S. Government officials, and officials of international organizations and of foreign governments; trips to and from embassies of foreign governments for visaing of passports.

<sup>1</sup> Includes \$15,000 estimated for payments to another agency for motor pool rentals and \$1,000 for other payments for hire.<sup>2</sup> Represents payments to another agency for motor pool rentals.<sup>3</sup> Represents estimated payments to another agency for motor pool rentals.

## Statement of proposed obligations for purchase and hire of passenger motor vehicles for the fiscal year 1957—Continued

## DEPARTMENT OF AGRICULTURE—Continued

Appropriation	Motor vehicles to be purchased		Old vehicles to be exchanged		Net cost of vehicles to be purchased	Old vehicles still to be used	Cost of hire of motor vehicles	Users and public purpose
	Number	Gross cost	Number	Allowance (estimated)				
COMMODITY STABILIZATION SERVICE								
Administrative expenses, sec. 392, Agricultural Adjustment Act of 1938.	2	\$2,700	2	\$400	\$2,300	3		Area office directors and field representatives: For travel within Puerto Rico and Hawaii in connection with agricultural conservation, sugar and other assigned duties. Administrator and other staff officials: Use of 1 car for transportation in District of Columbia.
Administrative expenses, Commodity Credit Corporation.						2		Inspectors and marketing specialists: For travel to and from warehouses, storage facilities, and piers to inspect packing conditions, markings and related operations in receipt, storage, and shipment of commodities owned or controlled by Commodity Credit Corporation.
Station wagon.....	1	1,900	1	300	1,600	1		Commodity office director and officials: For travel within Southeast and Southwest area in connection with cotton loan program, and for special mail pickup and delivery.
Total, Commodity Stabilization Service.	3	4,600	3	700	3,900	6		
FARMERS' HOME ADMINISTRATION								
Salaries and expenses.....	10	13,500	10	2,000	11,500	30		Administrator and other staff officials: Use of 1 car for transportation in District of Columbia. State directors and other field officials: Transportation to assist and advise county supervisors in the investigation of applications, making of loans, rendering farm management assistance to borrowers, and collecting and servicing loans under various loan programs.
OFFICE OF THE SECRETARY								
Salaries and expenses.....	1	1,350	1	350	1,000	2	\$500	The Secretary of Agriculture, Under Secretary, the Assistant Secretaries, and members of their immediate staffs, as well as the heads and other responsible officials of staff offices which comprise the Office of the Secretary: For transportation in District of Columbia.
Total, Department of Agriculture.	774	1,068,250	774	161,000	907,250	2,791	94,000	

<sup>5</sup> Includes 1 vehicle for use of Secretary in District of Columbia and 18 vehicles to be purchased from funds advanced by producers for whom services are performed and from license fees collected. (See items above for "Salaries and expenses, Office of the Secretary";

"Expenses and refunds, inspection and grading of farm products"; and "Perishable agricultural commodities act fund".)

## Statement of proposed obligations for purchase, maintenance, and operation of aircraft for the fiscal year 1957

## DEPARTMENT OF AGRICULTURE

Appropriation	Aircraft to be purchased		Aircraft to be exchanged		Net cost of aircraft to be purchased	Old aircraft still to be used	Cost of maintenance and operation of aircraft	Users and public purpose
	Number	Gross cost	Number	Allowance (estimated)				
AGRICULTURAL RESEARCH SERVICE								
Salaries and expenses: Research.....	1	\$5,000			\$5,000	2	\$3,750	Technical employees: For experimentation and development of improved equipment and methods for spraying and dusting crops and for fertilizing, seeding, and performing other agricultural operations with airplanes.
Plant and animal disease and pest control.	2	10,000	2	\$3,000	7,000	3	5,000	Pest control technicians: For demonstrating use of special equipment for suppression of destructive insects attacking crops; and when not otherwise engaged, for supplementing contract aircraft in control operations.
Total, Agricultural Research Service.	3	15,000	2	3,000	12,000	5	8,750	
FOREST SERVICE								
Salaries and expenses: National forest protection and management.	3	195,000	3	50,000	145,000	14	98,000	Forest Service administrative personnel and fire fighters: Transportation of men and supplies including "smoke jumpers" to inaccessible areas for reconnaissance and suppression of large fires, and for detection services in remote areas.
Control of forest pests.....	1	18,000	1	4,000	14,000	2	13,000	Pest control technicians: For use in locating incipient outbreaks of forest insect pests and in appraising the scope and seriousness of infestations in forested areas.
Forest research.....						1	2,000	Research technicians: For use in experimentation on the application of insecticides for control of forest insects; for improvement of aerial survey methods; and for demonstrating the use of special equipment for suppressing destructive insects attacking forested areas.
Total, Forest Service.....	4	213,000	4	54,000	159,000	17	113,000	
Total, Department of Agriculture.	7	228,000	6	57,000	171,000	22	121,750	



## REVOLVING AND MANAGEMENT FUNDS—Continued

## INTRAGOVERNMENTAL FUNDS—Continued

## BUREAU OF THE BUDGET—Continued

## Advances and Reimbursements, Bureau of the Budget—Continued

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	\$11,081	\$15,000	\$15,000
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	11,081	15,000	15,000
Funds provided by operations.....	11,081	15,000	15,000
Net effect on budget expenditures out of receipts and balances of the fund.....			

## OFFICE OF DEFENSE MOBILIZATION

## Advances and Reimbursements, Office of Defense Mobilization

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
1. Committee on Energy Supplies and Resources Policy:			
Department of Commerce.....	\$3,026		
Department of Defense.....	3,026		
Department of the Interior.....	1,029		
Department of Justice.....	3,025		
Department of Labor.....	3,025		
Department of State.....	3,025		
Total, Committee on Energy Supplies and Resources Policy.....	16,156		
2. Health Resources Advisory Committee, Selective Service System.....	28,620	\$20,000	\$20,000
3. Miscellaneous services to other accounts.....	25,989		
Total obligations.....	70,765	20,000	20,000
<b>Financing:</b>			
Advances and reimbursements from other accounts.....	70,765	20,000	20,000

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	2		
Full-time equivalent of all other positions.....	2	1	1
Average number of all employees.....	4		
Number of employees at end of year.....	0	0	0
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$7,193		
Average grade.....	GS-9.9		
01 Personal services:			
Permanent positions.....	\$18,379		
Positions other than permanent.....	22,848	\$9,780	\$9,780
Payment above basic rates.....	132		
Total personal services.....	41,359	9,780	9,780
02 Travel.....	20,774	10,220	10,220
04 Communication services.....	293		
06 Printing and reproduction.....	22		
Photographing.....	2		
07 Other contractual services.....	7,013		
Services performed by other agencies.....	1,300		
08 Supplies and materials.....	2		
Total obligations.....	70,765	20,000	20,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Advances and reimbursements (funds provided by operations).....	\$70,765	\$20,000	\$20,000
Obligated balance brought forward.....	9,404	10	
Increase in prior year obligations.....	26,721		
Total budget authorizations available.....	106,890	20,010	20,000
<b>EXPENDITURES AND BALANCES</b>			
Funds applied to operations.....	106,880	20,000	20,000
Balance no longer available (other than unobligated, expiring for obligation).....		10	
Obligated balance carried forward.....	10		
Total expenditures and balances.....	106,890	20,010	20,000
<b>EFFECT ON BUDGET EXPENDITURES</b>			
Funds applied to operations.....	106,880	20,000	20,000
Funds provided by operations.....	70,765	20,000	20,000
Net effect on budget expenditures out of receipts and balances of the fund.....	36,115		

## GENERAL PROVISIONS

## DEPARTMENTS, AGENCIES, AND CORPORATIONS

SEC. 201. Unless otherwise specifically provided, the maximum amount allowable during the current fiscal year, in accordance with section 16 of the Act of August 2, 1946 (5 U. S. C. 78), for the purchase of any passenger motor vehicle (exclusive of buses, ambulances and station wagons), is hereby fixed at \$1,350.

SEC. 202. Unless otherwise specified and during the current fiscal year, no part of any appropriation contained in this or any other Act shall be used to pay the compensation of any officer or employee of the Government of the United States (including any agency the majority of the stock of which is owned by the Government of the United States) whose post of duty is in continental United States unless such person (1) is a citizen of the United States, (2) is a person in the service of the United States on the date of enactment of this Act who, being eligible for citizenship, had filed a declaration of intention to become a citizen of the United States prior to such date, (3) is a person who owes allegiance to the United States, or (4) is an alien from the Baltic countries lawfully admitted to the United States for permanent residence: *Provided*, That for the purpose of this section, an affidavit signed by any such person shall be considered prima facie evidence that the requirements of this section with respect to his status have been complied with: *Provided further*, That any person making a false affidavit shall be guilty of a felony and, upon conviction, shall be fined not more than \$4,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penal clause shall be in addition to, and not in substitution for, any other provisions of existing law: *Provided further*, That any payment made to any officer or employee contrary

to the provisions of this section shall be recoverable in action by the Federal Government. This section shall not apply to citizens of the Republic of the Philippines or to nationals of those countries allied with the United States in the current defense effort, or to temporary employment of translators, or to temporary employment in the field service (not to exceed sixty days) as a result of emergencies.

SEC. 203. Appropriations of the executive departments and independent establishments for the current fiscal year, available for expenses of travel or for the expenses of the activity concerned, are hereby made available for living quarters allowances in accordance with the Act of June 26, 1930 (5 U. S. C. 118a), and regulations prescribed thereunder, and cost-of living allowances similar to those allowed under section 901 (2) of the Foreign Service Act of 1946, in accordance with and to the extent prescribed by regulations of the President, for all civilian officers and employees of the Government permanently stationed in foreign countries: *Provided*, That the availability of appropriations made to the Department of State for carrying out the provisions of the Foreign Service Act of 1946 shall not be affected hereby.

SEC. 204. No part of any appropriation for the current fiscal year contained in this or any other Act shall be paid to any person for the filling of any position for which he or she has been nominated after the Senate has voted not to approve the nomination of said person.

SEC. 205. No part of any appropriation contained in this or any other Act for the current fiscal year shall be used to pay in excess of \$4 per volume for the current and future volumes of the United States Code Annotated, and such volumes shall be purchased on condition and with the understanding that latest published cumulative annual pocket parts issued prior to the date of purchase shall be fur-

nished free of charge, or in excess of \$4.25 per volume for the current or future volumes of the Lifetime Federal Digest.

SEC. 206. Funds made available by this or any other Act for administrative expenses in the current fiscal year of the corporations and agencies subject to the Government Corporation Control Act, as amended (31 U. S. C. 841), shall be available, in addition to objects for which such funds are otherwise available, for rent in the District of Columbia; services in accordance with section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); and the objects specified under this head, all the provisions of which shall be applicable to the expenditure of such funds unless otherwise specified in the Act by which they are made available: *Provided*, That in the event any functions budgeted as administrative expenses are subsequently transferred to or paid from other funds, the limitations on administrative expenses shall be correspondingly reduced.

SEC. 207. No part of any funds of or available to any wholly-owned Government corporation shall be used for the purchase or construction, or in making loans for the purchase or construction of any office building, without specific authority in law therefor, primarily for occupancy by any department or agency of the United States Government or by any corporation owned by the United States Government.

SEC. 208. During the current fiscal year, the provisions of Bureau of the Budget Circular A-45, dated June 3, 1952, shall be controlling over the activities of all departments, agencies, and corporations of the Government: *Provided*, That said circular may be amended or changed during such year by the Director of the Budget with the approval of the Chairman of the Committee on Appropriations of the House of Representatives: *Provided further*, That the Bureau of the Budget shall make a report to Congress not later than January 31, [1956] 1957, of the operations of this order upon all departments, agencies, and corporations of the Government: *Provided further*, That, notwithstanding the provisions of any other law, no officer or employee shall be required to occupy any Government-owned quarters unless the head of the agency concerned shall determine that necessary service cannot be rendered or property of the United States cannot be adequately protected otherwise.

SEC. 209. Pursuant to section 1415 of the Act of July 15, 1952 (66 Stat. 662), foreign credits (including currencies) owed to or owned by the United States may be used by Federal agencies for any purpose for which appropriations are made for the current fiscal year (including the carrying out of Acts requiring or authorizing the use of such credits) and for liquidation of obligations legally incurred against such credits prior to July 1, 1953, only when reimbursement therefor is made to the Treasury from applicable appro-

priations of the agency concerned: *Provided*, That such credits received as exchange allowances or proceeds of sales of personal property may be used in whole or part payment for acquisition of similar items, to the extent and in the manner authorized by law, without reimbursement to the Treasury: *Provided further*, That nothing in section 1415 of the Act of July 15, 1952, or in this section shall be construed to prevent the making of new or the carrying out of existing contracts, agreements, or executive agreements for periods in excess of one year, in any case where such contracts, agreements, or executive agreements for periods in excess of one year were permitted prior to the enactment of this Act under section 32 (b) (2) of the Surplus Property Act of 1944, as amended (50 U. S. C. App. 1641 (b) (2)), and the performance of all such contracts, agreements, or executive agreements shall be subject to the availability of appropriations for the purchase of credits as provided by law.

[SEC. 210. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation included in this Act, shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation or fund contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.] (*General Government Matters Appropriation Act, 1956.*)



## PROPOSED FOR LATER TRANSMISSION

*Salaries and expenses, Agricultural Research Service* (under existing legislation, 1956).—An anticipated supplemental appropriation in the amount of \$500,000 is included in the budget to combat emergency outbreaks of plant pests which cannot be adequately controlled with funds presently available.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Proposed supplemental appropriation.....		\$500,000	
Obligated balance brought forward.....			\$150,000
Total budget authorization available.....		500,000	150,000
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....		350,000	
Out of prior authorizations.....			150,000
Total expenditures.....		350,000	150,000
Obligated balance carried forward.....		150,000	
Total expenditures and balances.....		500,000	150,000

*Salaries and expenses, Forest Service* (under existing legislation, 1956).—An anticipated supplemental appropriation in the amount of \$5,750,000 is included in the budget for fighting fires and to accelerate the sales of national forest timber.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Proposed supplemental appropriation.....		\$5,750,000	
Obligated balance brought forward.....			\$750,000
Total budget authorizations available.....		5,750,000	750,000
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....		5,000,000	
Out of prior authorizations.....			750,000
Total expenditures.....		5,000,000	750,000
Obligated balance carried forward.....		750,000	
Total expenditures and balances.....		5,750,000	750,000

*Loans, Farmers' Home Administration* (under existing legislation, 1956).—Public Law 345, approved August 11, 1955, extended to June 30, 1956, the authority to make loans for farm housing and other buildings. It is estimated that \$5 million will be required for such loans during 1956.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Proposed authorization to expend from public debt receipts.....		\$5,000,000	
Obligated balance brought forward (authorization to expend from public debt receipts).....			\$2,500,000
Total budget authorizations available.....		5,000,000	2,500,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES—continued

	1955 actual	1956 estimate	1957 estimate
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations to expend from public debt receipts.....		\$2,500,000	
Out of prior authorizations to expend from public debt receipts.....			\$2,500,000
Total expenditures.....		2,500,000	2,500,000
Obligated balance carried forward (authorization to expend from public debt receipts).....		2,500,000	
Total expenditures and balances.....		5,000,000	2,500,000

*Salaries and expenses, Farmers' Home Administration* (under existing legislation, 1956).—It is estimated that an additional \$150,000 will be required to make and administer farm housing loans for which funds for the balance of 1956 are being requested as a supplemental.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Proposed supplemental appropriation.....		\$150,000	
Obligated balance brought forward.....			\$15,000
Total budget authorizations available.....		150,000	15,000
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations.....		125,000	
Out of prior authorizations.....			25,000
Total expenditures.....		125,000	25,000
Obligated balance carried forward.....		25,000	
Total expenditures and balances.....		150,000	25,000

*Administrative expenses, Commodity Credit Corporation.*—A proposed increase in the limitation on administrative expenses in the amount of \$4,964,000 is anticipated for 1956. This additional amount is due to an estimated increase in the volume of price-support activities and for increased pay costs pursuant to Public Law 94, approved June 28, 1955.

*New agricultural measures—additional research and extension* (under existing legislation, 1957).—It is estimated that an additional \$12 million will be required to accelerate research and education directed toward lower production costs, new uses for farm products, and expanded domestic and foreign markets under programs to be detailed in connection with the President's special message on agriculture.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Proposed supplemental appropriation.....			\$12,000,000
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures (out of current authorizations).....			12,000,000

## PROPOSED FOR LATER TRANSMISSION—Continued

*New agricultural measures—soil bank and accompanying proposals* (under proposed legislation, 1957).—Recommendations to be presented in the President's special message on agriculture are expected to require \$450 million for soil bank and other agricultural programs.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Proposed supplemental appropriation.....			\$450,000,000
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures (out of current authorizations).....			400,000,000
Obligated balance carried forward.....			50,000,000
Total expenditures and balances.....			450,000,000

*Loans, Farmers' Home Administration* (under proposed legislation, 1957).—Legislation will be proposed to provide intermediate and long-term credit to part-time and low-income farmers who are unable to qualify for loans under titles I and II of the Bankhead-Jones Farm Tenant Act. It is estimated that 3,000 small farm-development loans will require an additional loan authorization of \$15 million.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Proposed authorization to expend from public debt receipts.....			\$15,000,000
<b>EXPENDITURES AND BALANCES</b>			
Expenditures—			
Out of current authorizations to expend from public debt receipts.....			13,000,000
Obligated balance carried forward (authorization to expend from public debt receipts).....			2,000,000
Total expenditures and balances.....			15,000,000

*Salaries and expenses, Farmers' Home Administration* (under proposed legislation, 1957).—The proposed amendment to the Bankhead-Jones Farm Tenant Act, to provide for loans to part-time and low-income farmers, will require an additional \$530,000 for the cost of making and servicing 3,000 loans expected under the program.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Proposed supplemental appropriation.....			\$530,000
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures (out of current authorizations).....			500,000
Obligated balance carried forward.....			30,000
Total expenditures and balances.....			530,000

*Salaries and expenses, Office of the General Counsel* (under proposed legislation, 1957).—The proposed amendment to the Bankhead-Jones Farm Tenant Act, to provide for loans to part-time and low-income farmers, will require development of specialized programs for credit assistance to these farmers. Legal assistance in developing the regulations, preparing legal instruments, and providing other legal services will require additional funds estimated at \$38,500.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Proposed supplemental appropriation.....			\$38,500
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures (out of current authorizations).....			37,000
Obligated balance carried forward.....			1,500
Total expenditures and balances.....			38,500



## INTRODUCTION TO PART III

Part III of the budget contains summary tables on trust and deposit funds, and detailed schedules and explanatory statements on the various trust funds.

### TRUST AND DEPOSIT FUNDS DISTINGUISHED

The funds which are covered in the summary tables in this part of the budget are of two types, as follows:

*Trust funds* are those funds which are established to account for receipts which are held in trust by the Government for use in carrying out specific purposes and programs in accordance with a trust agreement or a statute. Within the category of trust funds, there is a small subcategory of *trust revolving funds*, which are trust funds used to carry on a cycle of business-type operations.

*Deposit funds* are those funds which are established to account for collections that are either (a) held in suspense temporarily and later refunded or paid into some other fund of the Government, or (b) held by the Government as banker or agent for others, being paid out in lump sums at the direction of the owner. Such funds are not available for paying salaries, expenses, grants, or other expenditures of the Government.

While the transactions in these groups of funds are a part of the financial program of the Government, the trust and deposit funds are not owned by the Government; hence these transactions are excluded from the budget totals.

### TRUST FUND RECEIPTS, AUTHORIZATIONS AND EXPENDITURES

*Basis of stating trust receipts.*—Table 8 summarizes trust fund receipts, and table 9 gives figures by agency and account. Such receipts include all money paid into the Treasury to the credit of the trust funds, including contributions to the trust funds from the general fund and are stated on the basis of confirmed deposits. Sales and redemptions of investments in United States Government securities are excluded from receipts, and are listed in special analysis K of part IV.

*Trust authorizations.*—Trust fund receipts must be appropriated before they can be spent. These appropriations are summarized in table 8 and listed in table 10.

Most trust funds are appropriated by permanent law, not requiring further action by Congress. Usually the appropriations equal the receipts of the year. In a few cases receipts of trust funds can be spent only in accordance with appropriations enacted by Congress from year to year. Examples are funds of the Soldiers' Home and the municipal revenues of the District of Columbia (which are accounted for as trust funds by the Federal Government). In a few other cases trust fund receipts

are permanently appropriated for benefit payments, but limitations on administrative expenses payable out of the trust funds are imposed by annual action of the Congress.

*Basis of stating trust expenditures.*—Table 8 summarizes the trust fund expenditures, and table 10 gives figures by agency and account. These expenditures are stated on a checks-issued basis, less refunds collected. Net investments in United States Government securities are excluded from the figures, and are listed in special analysis K of part IV.

*Trust revolving funds.*—The small group of funds which constitute trust revolving funds represent an exception to the basis stated immediately above. The collections of trust revolving funds, instead of being taken into the tables as receipts and authorizations, are deducted from expenditures; thus the expenditures of such funds are stated on a net basis.

### DEPOSIT FUND EXPENDITURES

Tables 8 and 10 include figures on deposit fund expenditures. These expenditures are on a net basis; that is, the collections are deducted from checks issued, and the resulting figure is shown as an expenditure. Checks issued include those written to move money into other funds, as well as those written for refunds and the return of money to depositors. When the collections are larger than the checks issued, the amount shown as an expenditure is a negative item.

### NET ACCUMULATION IN TRUST AND DEPOSIT FUNDS

Table 8 shows the net accumulation in all the trust and deposit funds. This represents the result obtained when the trust and deposit fund expenditures are subtracted from the trust receipts of the year. Since trust and deposit funds, as well as Federal funds, affect the total cash balance of the Treasury and the total public debt, the final figures on table 8 are carried forward into table 4 of part I.

### DETAIL OF TRUST FUND ESTIMATES

The detailed material following table 11 covers the trust funds which do not require annual action by Congress (those requiring annual authorizations or limitations are in part II). Consolidated schedules are used for the smaller trust funds of each bureau or independent agency. The material here follows the general format of the similar material in part II. However, no appropriation language appears here, and the narrative statement of "Program and performance" usually consists only of an explanation of the sources of money for the fund, the purposes for which it is authorized to be spent, and the legal citations.

TABLE 8  
SUMMARY OF TRUST RECEIPTS, EXPENDITURES, AND APPROPRIATIONS  
*Based on existing and proposed legislation*

Description	1955 actual	1956 estimate	1957 estimate
<b>TRUST FUND RECEIPTS</b> (see table 9 for detail):			
Federal employees' retirement funds:			
Deductions from employees' salaries and other receipts.....	\$443, 173, 941	\$559, 931, 200	\$557, 241, 300
Interest and profits on investments.....	234, 976, 700	214, 361, 000	213, 628, 170
Transfers from general and special accounts.....	29, 623, 000	233, 000, 000	296, 304, 000
Federal old-age and survivors insurance trust fund:			
Appropriation from general account receipts, etc.....	5, 039, 572, 594	6, 475, 000, 000	6, 635, 000, 000
Deposits by States.....	98, 581, 274	125, 000, 000	130, 000, 000
Interests on investments.....	438, 029, 452	489, 000, 000	565, 000, 000
Interest payment by Railroad Retirement Board.....	9, 551, 000	7, 439, 000	5, 500, 000
Other.....	112, 679	70, 000	70, 000
Railroad retirement account:			
Appropriation from general fund receipts.....	598, 891, 527	625, 000, 000	660, 000, 000
Payments for military service credits from general accounts.....			1, 711, 000
Interest on investments.....	101, 009, 841	105, 000, 000	108, 300, 000
Unemployment trust fund:			
Deposits by States.....	1, 146, 187, 511	1, 300, 000, 000	1, 250, 000, 000
Transfers from Railroad Unemployment Insurance Administration fund.....	1, 647, 437		
Deposits by Railroad Retirement Board.....	14, 234, 038	27, 700, 000	83, 100, 000
Interest on investments.....	199, 070, 084	194, 384, 303	196, 287, 744
Transfers from general accounts.....	64, 287, 507	86, 776, 697	80, 517, 256
Veterans' life insurance funds:			
Premiums and other receipts.....	440, 572, 115	438, 096, 111	446, 160, 824
Interest on investments.....	199, 670, 411	201, 400, 000	205, 050, 000
Transfers from general and special accounts.....	27, 819, 325	81, 228, 103	24, 062, 964
Other trust accounts:			
Transfers from general and special accounts.....	21, 890, 000	19, 892, 700	22, 358, 650
Miscellaneous trust receipts.....	427, 595, 073	437, 059, 293	409, 959, 668
Total, trust fund receipts.....	9, 536, 495, 509	11, 620, 338, 407	11, 890, 251, 576
<b>TRUST FUND EXPENDITURES</b> (see table 10 for detail):			
Federal employees' retirement funds: Annuities and refunds.....	430, 030, 682	489, 757, 208	554, 107, 000
Federal old-age and survivors insurance trust fund: Benefit payments and administrative expenses.....	4, 487, 460, 881	5, 530, 200, 740	6, 249, 609, 089
Railroad retirement account: Benefit payments and other expenditures.....	585, 139, 422	613, 400, 000	649, 900, 000
Unemployment trust fund: Withdrawals by States and other expenditures.....	1, 965, 426, 693	1, 439, 213, 000	1, 603, 298, 000
Veterans' life insurance fund: Insurance losses and refunds.....	622, 149, 772	606, 400, 000	593, 470, 000
Other trust funds: Miscellaneous trust expenditures.....	398, 618, 769	647, 318, 655	738, 742, 954
Deposit funds (net).....	57, 357, 096	235, 173, 663	* 189, 401, 438
Total, trust fund expenditures.....	8, 546, 183, 315	9, 561, 463, 266	10, 199, 725, 605
Net accumulations in trust funds.....	990, 312, 194	2, 058, 875, 141	1, 690, 525, 971
<b>TRUST FUND APPROPRIATIONS</b> (see table 10 for detail):			
Federal employees' retirement funds.....	716, 210, 453	1, 007, 292, 200	1, 067, 173, 470
Federal old-age and survivors insurance trust fund.....	5, 585, 514, 664	7, 096, 509, 000	7, 335, 570, 000
Railroad retirement fund.....	701, 002, 506	730, 000, 000	770, 011, 000
Unemployment trust fund.....	1, 425, 426, 577	1, 608, 861, 000	1, 609, 905, 000
Veterans' life insurance funds.....	668, 061, 851	720, 724, 214	675, 273, 788
Other trust funds.....	475, 500, 947	469, 189, 607	452, 718, 299
Trust, trust fund appropriations.....	9, 571, 716, 998	11, 632, 576, 021	11, 910, 651, 557

## SUMMARY OF MAJOR TRUST FUND BALANCES AVAILABLE AT START OF YEAR

	1955	1956	1957	1958
Federal employees' retirement funds.....	\$5, 923, 424, 377	\$6, 209, 604, 148	\$6, 727, 139, 140	\$7, 240, 205, 610
Federal old-age and survivors insurance trust fund.....	20, 042, 588, 658	21, 140, 642, 440	22, 706, 950, 700	23, 792, 911, 611
Railroad retirement fund.....	3, 417, 746, 599	3, 533, 609, 683	3, 650, 209, 683	3, 770, 320, 683
Unemployment trust fund.....	8, 994, 319, 644	8, 454, 319, 528	8, 623, 967, 528	8, 630, 574, 528
Veterans' life insurance funds.....	6, 540, 978, 010	6, 586, 890, 089	6, 701, 214, 303	6, 783, 018, 091
Total.....	44, 919, 057, 288	45, 925, 065, 888	48, 409, 481, 354	50, 217, 030, 523

\* Deduct, excess of repayments and collections over expenditures.



TABLE 9

## TRUST RECEIPTS

BY AGENCY AND RECEIPT TITLE

*Based on existing and proposed legislation*

Agency and receipt title	1955 actual	1956 estimate	1957 estimate
<b>Legislative branch:</b>			
Contributions to Library of Congress gift fund.....	\$497,394	\$449,314	\$449,537
Contributions to Library of Congress trust fund, permanent loan account.....	155,933	41,623	-----
Deposits, cataloging project, Copyright Office, Library of Congress.....	7,259	7,400	7,400
Deposits, service fees, Library of Congress.....	427,899	402,500	440,000
Income on Library of Congress trust fund, investment account.....	13,072	12,000	12,000
Interest on bequest of Gertrude M. Hubbard, Library of Congress.....	800	800	800
Interest on Library of Congress trust fund, permanent loan.....	106,400	110,986	111,263
<b>Total, legislative branch.....</b>	<b>1,208,757</b>	<b>1,024,623</b>	<b>1,021,000</b>
<b>Funds appropriated to the President:</b>			
Deposits, advances, Mutual Security Act, Executive.....	131,779,122	131,556,689	95,706,185
Deposits, Philippine assistance, Foreign Operations Administration.....	1,500,000	1,250,000	-----
Deposits, technical assistance, United States dollars advanced from foreign governments, Foreign Operations Administration.....	1,445,131	1,000,000	-----
<b>Total, funds appropriated to the President.....</b>	<b>134,724,253</b>	<b>133,806,689</b>	<b>95,706,185</b>
<b>Independent offices:</b>			
<b>Civil Service Commission:</b>			
<b>Civil service retirement and disability fund:</b>			
Interest and profit on investment.....	234,377,236	213,730,000	212,953,000
Deductions from employees salaries, etc.....	436,176,877	552,137,000	552,137,000
<b>Transfers from general and special accounts:</b>			
United States share.....	29,623,000	233,000,000	295,900,000
District of Columbia share.....	2,532,000	2,640,000	2,416,000
Government corporations.....	1,523,729	2,293,000	1,249,000
<b>Total, civil service retirement and disability fund.....</b>	<b>704,232,842</b>	<b>1,003,800,000</b>	<b>1,063,755,000</b>
Federal Power Commission: Licenses under Federal Power Act from Indian reservations.....	211,307	179,856	179,753
Foreign Claims Settlement Commission: Deposits, war claims fund.....	15,000,000	-----	-----
General Accounting Office: Deposits, proceeds from estates of American citizens who die abroad.....	478	1,000	1,000
National Capital Planning Commission: Contributed fund.....	-----	438,000	502,000
National Science Foundation: Donations.....	50	50	-----
<b>Railroad Retirement Board:</b>			
<b>Railroad retirement account:</b>			
Appropriation from general fund receipts.....	598,891,527	625,000,000	660,000,000
Interest on investments.....	101,009,841	105,000,000	108,300,000
Payments for military service credits from general fund.....	-----	-----	1,711,000
<b>Total, railroad retirement account.....</b>	<b>699,901,368</b>	<b>730,000,000</b>	<b>770,011,000</b>
Railroad unemployment insurance administration fund.....	9,486,283	10,000,000	10,560,000
<b>Total, Railroad Retirement Board.....</b>	<b>709,387,651</b>	<b>-----</b>	<b>-----</b>
Smithsonian Institution: Deposits, Canal Zone biological area fund.....	10,218	10,000	10,000
<b>Veterans Administration:</b>			
<b>Adjusted-service certificate fund:</b>			
Interest on investments.....	185,448	179,800	179,800
Interest on loans.....	136	200	200
<b>Total, adjusted-service certificate fund.....</b>	<b>185,584</b>	<b>180,000</b>	<b>180,000</b>
Deposits, general post fund, national homes.....	1,241,665	1,100,000	1,100,000
<b>Veterans life insurance funds:</b>			
<b>Government life insurance fund:</b>			
Premiums and other receipts.....	35,119,881	33,405,000	31,162,000
Interest on investments.....	42,467,466	42,400,000	42,050,000
<b>Total, Government life insurance fund.....</b>	<b>77,587,347</b>	<b>75,805,000</b>	<b>73,212,000</b>
<b>National service life insurance fund:</b>			
Premium and other receipts.....	405,452,234	404,691,111	414,998,824
Interest on investments.....	157,202,945	159,000,000	163,000,000
Transfers from general and special accounts.....	27,819,325	81,228,103	24,062,964
<b>Total, national service life insurance fund.....</b>	<b>590,474,504</b>	<b>644,919,214</b>	<b>602,061,788</b>
<b>Total, Veterans Administration.....</b>	<b>669,489,100</b>	<b>722,004,214</b>	<b>676,553,788</b>
<b>Total, Independent offices.....</b>	<b>2,098,331,646</b>	<b>2,466,433,120</b>	<b>2,521,572,546</b>

TABLE 9—Continued  
TRUST RECEIPTS—Continued  
BY AGENCY AND RECEIPT TITLE—Continued

Agency and receipt title	1955 actual	1956 estimate	1957 estimate
<b>General Services Administration:</b>			
Deposits, advances for supplies and expenses, United Nations Korean Reconstruction Agency.....	\$434,572		
Deposits, American National Red Cross, District of Columbia Chapter Building.....	9,988		
Donations, National Archives gift fund.....	37,013	\$23,000	\$23,000
Total, General Services Administration.....	481,573	23,000	23,000
<b>Department of Agriculture:</b>			
Deposits, feed and attendants for animals in quarantine.....	19,717	19,000	19,000
Deposits for fees, inspection and grading of farm products.....	13,787,758	13,508,022	13,577,000
Deposits of miscellaneous contributed funds, Federal Extension Service.....	1,978	2,000	2,000
Deposits, technical services and other assistance, agricultural conservation program, Soil Conservation Service, act of June 29, 1949.....	6,311,191	7,000,000	7,000,000
Forest Service cooperative fund.....	11,641,295	12,500,000	13,000,000
Miscellaneous contributed funds, Forest Service.....	59,074	40,000	
Miscellaneous contributed funds, Soil Conservation.....	487,511	158,850	1,545,168
Miscellaneous contributed funds, Agricultural Marketing Service.....	96,463	93,710	80,730
Miscellaneous contributed funds, Office of Information.....	17,465	17,450	14,000
Miscellaneous contributed funds, Agricultural Research Service.....	215,629	153,624	149,200
Miscellaneous contributed funds, Commodity Stabilization Service.....	32,224	35,000	35,000
Total, Department of Agriculture.....	32,670,305	33,527,656	35,422,098
<b>Department of Commerce:</b>			
Contributions from States, etc., cooperative work, forest highways, Bureau of Public Roads.....	150,000	400,000	500,000
Deposits, equipment, supplies, etc., for cooperative counties, Bureau of Public Roads.....	709,946	2,800,000	7,600,000
Deposits, gifts and bequests, National Bureau of Standards.....	142,202	60,000	50,000
Deposits, gifts and donations, Civil Aeronautics Administration.....	111,034	15,573	50,000
Deposits, special statistical work, Census.....	991,631	995,000	995,000
Deposits, special statistical work, Business and Defense Services Administration.....	8,255	10,000	10,000
Deposits, special statistical work, National Bureau of Standards.....	1,139		
Deposits, special statistical work, Weather Bureau.....	7,838	12,158	
Deposits, transcripts of studies, tables, and other records, Business and Defense Services Administration.....	90,418	100,000	100,000
Donations for chapel and library, United States Merchant Marine Academy, Kings Point, N. Y.....	924	1,000	1,000
United States dollars advanced from foreign governments for technical assistance.....	1,739,449	1,700,000	1,500,000
Total, Department of Commerce.....	3,952,836	6,093,731	10,806,000
<b>Department of Defense—Military Functions:</b>			
<b>Department of the Army:</b>			
Deposits, advances for supplies and expenses, United Nations Korean Reconstruction Agency.....	1,000,000	290,000	
Deposits, Kermit Roosevelt fund.....	2,276		
Deposits, U. S. Department of the Army, general gift fund.....	5,000	5,000	5,000
Funds contributed by States for National Guard armory construction.....	152,698	100,000	125,000
Interest on investments, bequest of Maj. Gen. Fred C. Ainsworth to Walter Reed General Hospital.....	254	393	393
Total, Department of the Army.....	1,160,228	395,393	130,393
<b>Department of the Navy:</b>			
Contributions to Office of Naval Records and Library fund.....	7,772	6,000	6,500
Contributions to United States Naval Academy Museum fund.....	691	950	700
Contributions to United States Naval Academy general gift fund.....	8,665	2,600	2,600
Proceeds, civic fund, naval reservation, Olongapo, Philippine Islands.....	562,040	600,000	650,000
Total, Department of the Navy.....	579,168	609,550	659,800
Total, Department of Defense—Military Functions.....	1,739,396	1,004,943	790,193
<b>Department of Defense—Civil Functions:</b>			
<b>Department of the Army:</b>			
Contributions, rivers and harbors.....	6,520,249	12,355,800	9,902,000
Deposits, proceeds of remittances to and exports from occupied territories.....	74,571		
<b>Deposits to Soldiers' Home permanent fund:</b>			
Army.....	6,429,244	6,305,800	6,099,800
Air Force.....	3,019,837	3,047,000	3,000,000
Total.....	9,449,081	9,352,800	9,099,800
Total, Department of Defense—Civil Functions.....	16,043,901	21,708,600	19,001,800



TABLE 9—Continued  
TRUST RECEIPTS—Continued  
BY AGENCY AND RECEIPT TITLE—Continued

Agency and receipt title	1955 actual	1956 estimate	1957 estimate
<b>Department of Health, Education, and Welfare:</b>			
Contributions, conditional gift fund, Freedmen's Hospital.....	\$437		
Deposits, patients' benefit fund, Public Health Service hospitals.....	18,995	\$15,000	\$15,000
Deposits, patients' benefit fund, St. Elizabeths Hospital.....	357	350	350
Donations to the White House Conference on Education.....	80		
Contributions and interest, Public Health Service conditional gift fund.....	37,492	15,000	15,000
Contributions and interest, Public Health Service unconditional gift fund.....	17,019	13,000	13,000
<b>Total, Department of Health, Education, and Welfare.....</b>	<b>74,380</b>	<b>43,350</b>	<b>43,350</b>
<b>Department of the Interior:</b>			
Advances for authorized services, Geological Survey.....	847,924	800,000	800,000
Contributions, Bureau of Land Management.....	128,619	200,000	200,000
Contributions, Bureau of Mines.....	456,230	810,030	300,000
Contributions for construction of electric transmission lines and substations, Bonneville power project.....	42,013	333,000	
Contributions of funds for Indian projects.....	19,210	10,000	10,000
Contributions to national park trust fund.....	3,103	2,500	2,000
Deposits, contributed funds, Fish and Wildlife Service.....	85,864	90,000	90,000
Deposits, proceeds of labor, Indian moneys, agencies, schools, etc.....	3,935,266	3,811,000	3,575,000
Deposits, public survey work.....	25,726	17,000	17,000
Deposits, reclamation trust funds.....	852,294	2,233,787	1,266,000
Donations to National Park Service.....	950,867	603,000	510,000
Funds contributed for improvement of roads, bridges, trails, Alaska.....	700,084	1,000,000	1,000,000
Income on investments, national park trust fund.....	461	461	461
Indian trust funds.....	34,661,340	35,000,000	35,000,000
Interest on endowment fund, preservation, birthplace of Abraham Lincoln.....	1,585	1,585	1,585
Receipts, trustee, Alaska townships.....	38,980	3,400	3,400
<b>Total, Department of the Interior.....</b>	<b>42,749,566</b>	<b>44,915,763</b>	<b>42,775,446</b>
<b>Department of Labor:</b>			
Receipts under Longshoremen's and Harbor Workers' Compensation Act, as amended.....	34,805	40,000	40,000
Receipts under Workmen's Compensation Act within the District of Columbia.....	9,574	11,500	11,500
Deposits, special statistical work, Bureau of Labor Statistics.....	278,148	49,461	
<b>Total, Department of Labor.....</b>	<b>322,527</b>	<b>100,961</b>	<b>51,500</b>
<b>Department of State:</b>			
Award for Federal Republic of Germany.....	300,000		
United States dollars advanced from foreign governments, United States international and educational exchange program.....	471,525	300,000	200,000
<b>Foreign Service retirement and disability fund:</b>			
Deductions from employees' salaries, etc.....	2,941,335	2,861,200	1,439,300
Interest on investments.....	599,464	631,000	675,170
Transfers from general and special accounts, United States share.....			1,304,000
<b>Total, Foreign Service retirement and disability fund.....</b>	<b>3,540,799</b>	<b>3,492,200</b>	<b>3,418,470</b>
<b>Total, Department of State.....</b>	<b>4,312,324</b>	<b>3,792,200</b>	<b>3,618,470</b>
<b>Treasury Department:</b>			
Deposits, duties, and taxes, Puerto Rico, Bureau of Customs.....	4,778,878	4,785,000	4,785,000
Deposits, duties, and taxes, Virgin Islands, Bureau of Customs.....	220,949	221,000	221,000
Deposits for expenses, enforcement title III, National Prohibition Act, as amended, Puerto Rico and Virgin Islands.....	92,092	144,323	142,749
Deposits of collections, Mexican claims fund.....	2,500,000	1,500,000	
Deposits of unclaimed moneys of individuals whose whereabouts are known.....	44,364	27,000	27,000
Deposits of collections, Panama claims fund.....	174,678		
<b>Federal old-age and survivors insurance trust fund:</b>			
Appropriation from general account receipts, etc.....	5,039,572,594	6,475,000,000	6,635,000,000
Deposits by States.....	98,581,274	125,000,000	130,000,000
Interest on investments.....	438,029,452	489,000,000	565,000,000
Interest payments by Railroad Retirement Board.....	9,551,000	7,439,000	5,500,000
Other.....	112,679	70,000	70,000
<b>Total, Federal old-age and survivors insurance trust fund.....</b>	<b>5,585,846,999</b>	<b>7,096,509,000</b>	<b>7,335,570,000</b>
National defense conditional gift fund.....	764,841	10,000	
Interest and profits on investments, Pershing Hall memorial fund.....	4,978	4,978	4,978
United States Coast Guard general gift fund.....		3,000	3,000
Pre-1934 bonds of the Government of the Philippines.....	105,102	145,000	145,000

TABLE 9—Continued

## TRUST RECEIPTS—Continued

BY AGENCY AND RECEIPT TITLE—Continued

Agency and receipt title	1955 actual	1956 estimate	1957 estimate
<b>Treasury Department—Continued</b>			
Proceeds of sales of unclaimed, abandoned, and seized goods, Bureau of Customs.....	\$243,843	\$245,000	\$245,000
Unclaimed moneys of individuals whose whereabouts are unknown.....	512,233	167,065	167,065
Unemployment trust fund:			
Deposits by States (net).....	1,146,187,511	1,300,000,000	1,250,000,000
Railroad unemployment insurance account.....	15,881,475	27,700,000	83,100,000
Interest on investments.....	199,070,084	194,384,303	196,287,744
Transfer from general accounts.....	64,287,507	86,776,697	80,517,256
Total, unemployment trust fund.....	1,425,426,577	1,608,861,000	1,609,905,000
Total, Treasury Department.....	7,020,715,534	8,712,622,366	8,951,215,792
<b>District of Columbia:</b>			
Revenues.....	157,263,977	175,348,705	185,845,546
Transfer from general fund, Federal contribution.....	21,890,000	19,892,700	22,358,650
Total, District of Columbia.....	179,153,977	195,241,405	208,204,196
<b>Increment resulting from reduction in the weight of the gold dollar.....</b>	<b>14,534</b>		
Total, trust fund receipts.....	9,536,495,509	11,620,338,407	11,890,251,576



TABLE 10  
TRUST APPROPRIATIONS AND EXPENDITURES

BY AGENCY AND ACCOUNT TITLE

Based on existing legislation

Agency and account title	Functional code No.	APPROPRIATIONS			EXPENDITURES		
		1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>Legislative branch:</b>							
Library of Congress: Gift and trust fund income accounts:							
Cataloging project, Copyright Office.....	500	\$7, 259	\$7, 400	\$7, 400	\$10, 647	\$7, 472	\$7, 400
Library of Congress gift fund.....	200	497, 394	449, 314	449, 537	520, 767	532, 900	512, 300
Library of Congress trust fund, income from investment account.....	200	13, 072	12, 000	12, 000	8, 288	7, 060	7, 000
Payment of interest on bequest of Gertrude M. Hubbard, Library of Congress.....	650	800	800	800	697	2, 199	2, 100
Payment of interest on permanent loan, Library of Congress.....	650	106, 400	110, 986	111, 263	108, 137	126, 862	125, 000
Service fees, Library of Congress.....	200	427, 899	402, 500	440, 000	441, 486	447, 718	445, 000
Library of Congress trust fund, permanent loan.....	200	155, 933	41, 623				
Total, legislative branch.....		1, 208, 757	1, 024, 623	1, 021, 000	1, 090, 022	1, 124, 211	1, 098, 800
<b>Funds appropriated to the President:</b>							
Mutual security: Trust funds:							
Advances for economic assistance, International Co-operation Administration.....	150				240, 554	11, 301	
Advances, Mutual Security Act, Executive.....	050	131, 779, 122	131, 556, 689	95, 706, 185	160, 266, 680	114, 138, 014	170, 000, 000
Philippine assistance, International Cooperation Administration.....	150	1, 500, 000	1, 250, 000		429, 881	4, 147, 945	
Technical assistance, United States dollars advanced from foreign governments, International Cooperation Administration.....	150	1, 445, 131	1, 000, 000		1, 346, 587	1, 537, 488	
Total, funds appropriated to the President.....		134, 724, 253	133, 806, 689	95, 706, 185	162, 283, 702	119, 834, 748	170, 000, 000
<b>Independent offices:</b>							
American Battle Monuments Commission: Contributed flower fund.....	100				• 103		
Civil Service Commission:							
Civil service retirement and disability fund.....	200	712, 688, 721	1, 003, 800, 000	1, 063, 755, 000	427, 795, 633	487, 407, 208	551, 687, 000
Employees life insurance fund (net).....	200				• 3, 650, 437	• 1, 091, 600	• 1, 224, 250
Foreign Claims Settlement Commission: War claims fund.....	600	15, 000, 000			18, 009, 063	11, 829, 910	14, 460, 000
General Accounting Office: Proceeds from estates of American citizens who die abroad.....	600	478	1, 000	1, 000	567	2, 000	2, 000
National Capital Housing Authority: Operation and maintenance, properties aided by or leased from Public Housing Administration (net).....	500				• 245, 884	569, 477	• 280, 517
National Capital Planning Commission: Contributed fund.....	400		438, 000	502, 000	48, 717	403, 433	480, 700
National Science Foundation: Donations.....	200	50	50				
Railroad Retirement Board:							
Railroad retirement account.....	200	701, 002, 506	730, 000, 000	770, 011, 000	585, 139, 422	613, 400, 000	649, 900, 000
Railroad unemployment insurance administration fund.....	200	9, 486, 283	10, 000, 000	10, 560, 000	9, 373, 321	9, 920, 000	10, 460, 000
Smithsonian Institution: Canal Zone Biological Area fund.....	200	10, 218	10, 000	10, 000	7, 920	11, 865	10, 500
Veterans Administration:							
National service life insurance fund.....	100	590, 474, 504	644, 919, 214	602, 061, 788	537, 831, 891	520, 550, 000	505, 900, 000
United States Government life insurance fund.....	100	77, 587, 347	75, 805, 000	73, 212, 000	84, 317, 881	85, 850, 000	87, 570, 000
Adjusted-service certificate fund.....	100	185, 584	180, 000	180, 000	224, 361	200, 000	200, 000
General post fund, national homes.....	100	1, 241, 665	1, 100, 000	1, 100, 000	902, 199	1, 300, 550	1, 300, 000
Total, independent offices.....		2, 107, 677, 356	2, 466, 253, 264	2, 521, 392, 788	1, 659, 754, 551	1, 730, 352, 843	1, 820, 465, 433
<b>General Services Administration:</b>							
Real property activities: American National Red Cross, District of Columbia Chapter Building, public buildings.....	600	9, 988			9, 298	2, 416	
Personal property activities: Advances for supplies and expenses, United Nations Korean Reconstruction Agency.....	150	434, 572			676, 665	218, 707	
Records activities:							
Franklin D. Roosevelt Library fund (net).....	200				• 1, 968	8, 900	• 5, 200
National Archives trust fund (net).....	600				5, 476	• 5, 928	• 7, 746
Other trust funds: National Archives gift fund.....	600	37, 013	23, 000	23, 000	26, 001	21, 000	21, 000
Total, General Services Administration.....		481, 573	23, 000	23, 000	715, 472	245, 095	8, 054
<b>Housing and Home Finance Agency:</b>							
Secondary market operations, Federal National Mortgage Association (net).....	500				• 83, 979, 398	158, 854, 698	217, 000, 000

• Deduct, excess of repayments and collections over expenditures.

TABLE 10—Continued

TRUST APPROPRIATIONS AND EXPENDITURES—Continued

BY AGENCY AND ACCOUNT TITLE—Continued

Agency and account title	Functional code No.	APPROPRIATIONS			EXPENDITURES		
		1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>Department of Agriculture:</b>							
Agricultural Research Service:							
Trust funds:							
Expenses, feed and attendants for animals in quarantine.....	350	\$19,717	\$19,000	\$19,000	\$18,708	\$19,000	\$19,000
Expenses and refunds, inspection and grading of farm products.....	350	69,185	233,022	227,000	29,720	255,053	227,000
Miscellaneous contributed funds.....	350	215,629	153,624	149,200	168,078	182,000	150,000
Advances and reimbursements.....	350				39,526		
Extension Service: Miscellaneous contributed funds.....	350	1,978	2,000	2,000	10,049	4,000	2,000
Forest Service: Trust funds:							
Cooperative work.....	400	11,641,295	12,500,000	13,000,000	9,083,985	9,730,000	11,700,000
Miscellaneous contributed funds.....	350	59,074	40,000		146,051	116,400	25,000
Soil Conservation Service:							
Payments in lieu of taxes and operation and maintenance costs, water conservation and utilization projects (net).....	350				58,699		
Other trust funds:							
Technical services and other assistance, agricultural conservation program, Soil Conservation Service.....	350	6,311,191	7,000,000	7,000,000	5,730,816	6,300,000	6,925,000
Miscellaneous contributed funds.....	350	487,511	158,850	1,545,163	579,277	658,000	1,048,900
Agricultural Marketing Service: Trust funds:							
Expenses and refunds, inspection and grading of farm products.....	350	13,718,573	13,275,000	13,350,000	12,936,995	13,711,350	13,547,200
Miscellaneous contributed funds.....	350	96,463	93,710	80,730	113,023	101,815	74,953
Foreign Agricultural Service: Trust funds:							
Expenses of foreign students.....	150				544	121	
Miscellaneous contributed funds.....	350				653		
Commodity Stabilization Service: Miscellaneous contributed funds.....	350	32,224	35,000	35,000	69,828	51,000	50,000
Farmers' Home Administration: State rural rehabilitation funds (net).....	350				84,883	1,592,643	2,270,250
Office of Information: Miscellaneous contributed funds.....	350	17,465	17,450	14,000	11,144	16,000	16,000
Total, Department of Agriculture.....		32,670,305	33,527,656	35,422,098	29,081,979	32,737,382	36,055,303
<b>Department of Commerce:</b>							
Bureau of the Census: Special statistical work.....	200	991,631	995,000	995,000	1,007,253	1,004,032	995,000
Civil Aeronautics Administration: Gifts and donations.....	500	111,034	15,573	50,000	52,852	75,000	50,000
Business and Defense Services Administration: Trust funds:							
Expenses, transcripts of studies, tables, and other records.....	500	90,418	100,000	100,000	82,359	110,185	110,000
Special statistical work.....	500	8,255	10,000	10,000	6,766	10,000	10,000
Maritime activities: United States Merchant Marine Academy, Kings Point, N. Y., donations for chapel and library.....	500	924	1,000	1,000	118,848		
Bureau of Public Roads: Trust funds:							
Cooperative work, forest highways.....	500	150,000	400,000	500,000	37,122	200,000	450,000
Equipment, supplies, etc., for cooperating countries.....	150	709,946	2,800,000	7,600,000	848,430	2,000,000	7,000,000
Technical assistance, United States dollars advanced from foreign governments.....	150	1,739,449	1,700,000	1,500,000	1,980,426	1,700,000	1,700,000
National Bureau of Standards:							
Trust funds:							
Gifts and bequests.....	200	142,202	60,000	50,000	88,048	136,611	51,526
Special statistical work.....	200	1,139			3,311		
Advances and reimbursements.....	200				130	142	
Weather Bureau: Special statistical work.....	600	7,838	12,158		12,685	22,795	
Total, Department of Commerce.....		3,952,836	6,093,731	10,806,000	4,000,274	5,258,765	10,366,526
<b>Department of Defense—Military Functions:</b>							
Department of the Army: Trust funds:							
Advances for cost of delivery of surplus military property.....	600					116	
Advances for supplies and expenses, United Nations Korean Reconstruction Agency.....	150	1,000,000	290,000		2,140,210	1,479,792	
Bequest of Maj. Gen. Fred C. Ainsworth, Library, Walter Reed Hospital.....	050	254	393	393	409	397	393
Bequest of William F. Edgar, Museum and Library, Office of Surgeon General of the Army.....	050				460	381	
Expenses, International Refugee Organization, Army.....	150				2,107		

\* Deduct, excess of repayments and collections over expenditures.



TABLE 10—Continued

TRUST APPROPRIATIONS AND EXPENDITURES—Continued

BY AGENCY AND ACCOUNT TITLE—Continued

Agency and account title	Functional code No.	APPROPRIATIONS			EXPENDITURES		
		1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>Department of Defense—Military Functions—Continued</b>							
<b>Department of the Army: Trust funds—Continued</b>							
Funds received by United States forces in occupied territory or under martial law, Territory of Hawaii—Kermit Roosevelt fund.....	050				\$369,511		
National Guard armory construction, State-contributed funds.....	150	\$2,276			2,300	\$89	
Transportation, International Refugee Organization—United States Department of the Army general gift fund.....	050	152,698	\$100,000	\$125,000	157,470	100,000	\$125,000
Work and procurement programs for American republics.....	150					11,181	
	050	5,000	5,000	5,000	4,119	5,000	8,000
	150					119,902	
<b>Department of the Navy: Trust funds:</b>							
Naval reservation, Olongapo civic fund.....	050	562,040	600,000	650,000	504,561	583,000	615,250
Office of Naval Records and library fund.....	050	8,487	6,000	6,500			10,000
United States Naval Academy general gift fund.....	050	8,665	2,600	2,600	4,820	5,350	7,000
United States Naval Academy museum fund.....	050	697	950	700	32	250	250
Total, Department of Defense—Military Functions.....		1,740,117	1,004,943	790,193	3,185,999	2,305,458	765,893
<b>Department of Defense—Civil Functions:</b>							
<b>Department of the Army:</b>							
Rivers and harbors advance fund.....	400				594,705	600,000	100,000
Rivers and harbors contributed fund: (Flood-control projects).....	400	6,335,569	11,677,200	8,987,900	7,179,812	10,800,000	14,100,000
(Navigation projects).....	500	184,680	678,600	914,100	214,433	600,000	800,000
Proceeds of remittances to and exports from occupied territories.....	150	74,571			76,649	77,000	
Advances and reimbursements, Army, Engineers, civil.....	400				* 3,022	4,474	
United States Soldiers' Home: Maintenance and operation.....	100	5,184,000	4,400,000	5,364,000	5,069,581	5,637,314	5,170,065
Capital outlay.....							
Soldiers' Home, permanent fund.....		100	18,255	21,000	21,000	20,407	21,000
United States Soldiers' Home revolving fund (net).....	100				* 895	* 1,500	* 65,000
Total, Department of Defense—Civil Functions.....		11,797,075	16,776,800	15,287,000	13,151,670	17,738,288	20,126,065
<b>Department of Health, Education, and Welfare:</b>							
Freedmen's Hospital: Conditional gift fund.....	200	437			425	677	
Office of Education: Donations, The White House Conference on Education.....	200	80				80	
<b>Public Health Service: Trust funds:</b>							
Patients' benefit fund, Public Health Service hospitals.....	200	18,995	15,000	15,000	17,755	16,500	17,000
Public Health Service conditional gift fund.....	200	37,492	15,000	15,000	69,688	19,000	19,000
Public Health Service unconditional gift fund.....	200	17,019	13,000	13,000	1,808	19,000	30,000
Saint Elizabeths Hospital: Patients' benefit fund.....	200	357	350	350	621	621	621
Social Security Administration: Advances and reimbursements.....	200				215		
Office of the Secretary: Advances and reimbursements.....	200				3,599	3,889	
Total, Department of Health, Education, and Welfare.....		74,380	43,350	43,350	94,111	59,767	66,621
<b>Department of the Interior:</b>							
Bonneville Power Administration: Construction of electric transmission lines and substations, contributions, Bonneville power project.....	400	42,013	333,000		102,183	354,530	50,000
<b>Bureau of Land Management: Trust funds:</b>							
Contributed funds.....	400	128,619	200,000	200,000	156,273	176,000	220,000
Expenses, public survey work.....	400	25,726	17,000	17,000	18,062	16,731	36,600
Trustee funds, Alaska townsites.....	600	33,980	3,400	3,400	914	1,269	3,400
<b>Bureau of Indian Affairs:</b>							
Indian moneys, proceeds of labor, agencies, schools, etc.....	600	3,935,266	3,811,000	3,575,000	3,888,172	3,900,000	3,700,000
Indian tribal funds.....	600	35,607,846	35,000,000	35,000,000	37,839,320	47,863,431	29,220,008
Bureau of Reclamation: Reclamation trust funds.....	400	852,294	2,233,787	1,266,000	878,661	2,100,000	1,400,000
Geological Survey: Advances, authorized services.....	400	847,924	800,000	800,000	780,490	800,000	800,000
Bureau of Mines: Contributed funds.....	400	456,230	810,030	300,000	447,013	925,000	360,000

\* Deduct, excess of repayments and collections over expenditures.

TABLE 10—Continued  
TRUST APPROPRIATIONS AND EXPENDITURES—Continued  
BY AGENCY AND ACCOUNT TITLE—Continued

Agency and account title	Functional code No.	APPROPRIATIONS			EXPENDITURES		
		1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>Department of the Interior—Continued</b>							
National Park Service: Trust funds:							
Jefferson National Expansion Memorial, contribution	400				\$1,041		
National Park Service, donations	400	\$950,867	\$603,000	\$510,000	424,058	\$790,782	\$887,871
National Park trust fund	400		2,961	2,461		7,000	2,461
Preservation, birthplace of Abraham Lincoln	400	1,585	1,585	1,585	324	6,890	1,000
Fish and Wildlife Service: Contributed funds	400	85,864	90,000	90,000	104,326	140,000	100,000
Office of Territories: Funds contributed for improvement of roads, bridges, and trails, Alaska	500	700,084	1,000,000	1,000,000	459,346	1,125,229	1,100,000
Total, Department of the Interior		43,673,298	44,905,763	42,765,446	45,100,183	58,206,862	37,881,340
<b>Department of Justice:</b>							
Federal Prison System: Commissary funds, Federal prisons (net)	200				a 9,113		a 20,000
Office of Alien Property:							
Alien property fund, World War I (net)	600				a 29,858	52,000	27,000
Alien property fund, World War II (net)	600				8,978,666	a 9,504,750	a 6,206,000
Alien property fund, Philippines, World War II (net)	150				42,197	25,000	30,000
Total, Department of Justice					8,981,892	a 9,427,750	a 6,169,000
<b>Department of Labor:</b>							
Bureau of Employees' Compensation:							
Trust funds:							
Relief and rehabilitation, Longshoremen's and Harbor Workers' Compensation Act, as amended	600	34,805	40,000	40,000	10,631	11,000	11,000
Relief and rehabilitation, Workmen's Compensation Act, within the District of Columbia	600	9,574	11,500	11,500	3,352	5,000	5,000
Advances and reimbursements	600				a 34	a 919	
Bureau of Labor Statistics: Special statistical work	200	278,148	49,461		164,494	187,581	18,480
Total, Department of Labor		322,527	100,961	51,500	178,443	202,662	34,480
<b>Department of State:</b>							
Administration of foreign affairs:							
Foreign Service retirement and disability fund	200	3,521,732	3,492,200	3,418,470	2,235,049	2,350,000	2,420,000
Payment to Federal Republic of Germany, State	150	300,000			300,000		
Educational exchange: Trust funds:							
Education of Iranian students in the United States	150				a 1,473	14,230	2,571
United States dollars advanced from foreign governments, United States information and educational exchange program	150	471,525	300,000	200,000	643,095	369,241	200,000
Total, Department of State		4,293,257	3,792,200	3,618,470	3,176,671	2,733,471	2,622,571
<b>Treasury Department:</b>							
Office of the Secretary:							
Federal old-age and survivors insurance trust fund:							
Administrative expenses	200	5,585,514,664	7,096,509,000	7,335,570,000	103,182,593	123,550,740	128,256,089
Construction					131,777	650,000	3,353,000
Benefit payments					4,333,146,511	5,340,000,000	6,050,000,000
Refunds of overpayments of payroll tax receipts					51,000,000	66,000,000	68,000,000
Total, Federal old-age and survivors insurance trust fund		5,585,514,664	7,096,509,000	7,335,570,000	4,487,460,881	5,530,200,740	6,249,609,089
Pershing Hall memorial fund	600	4,978	4,978	4,978	2,489	7,467	4,978
Unemployment trust fund:							
Railroad unemployment insurance account:							
Railroad benefits payments	200	1,425,426,577	1,608,861,000	1,609,905,000	205,882,693	189,213,000	178,298,000
State accounts: Withdrawals by States					1,759,544,000	1,250,000,000	1,425,000,000
Total unemployment trust funds		1,425,426,577	1,608,861,000	1,609,905,000	1,965,426,693	1,439,213,000	1,603,298,000
Bureau of Accounts: Trust funds:							
Mexican claims fund	600	2,500,000	1,500,000		2,461,366	1,770,238	
National defense conditional gift fund	050	764,841	10,000		613,857	160,984	
Panama claims fund	600	174,678			122,356	277,644	
Payment of pre-1934 bonds of the Government of the Philippines	600	105,102	145,000	145,000	436,009	303,502	145,000

• Deduct, excess of repayments and collections over expenditures.



TABLE 10—Continued  
**TRUST APPROPRIATIONS AND EXPENDITURES—Continued**  
 BY AGENCY AND ACCOUNT TITLE—Continued

Agency and account title	Functional code No.	APPROPRIATIONS			EXPENDITURES		
		1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>Treasury Department—Continued</b>							
<b>Bureau of Accounts: Trust funds—Continued</b>							
Payment of unclaimed moneys.....	600	\$65,548	\$100,000	\$100,000	\$65,548	\$100,000	\$100,000
Unclaimed moneys of individuals whose whereabouts are known.....	600	44,374			69,270		
Yugoslav claims fund.....	600				9,097,955	7,784,351	
<b>Bureau of Customs: Trust funds:</b>							
Refunds, transfers, and expenses of operation, Virgin Islands.....	600	220,949	221,000	221,000	229,562	230,000	230,000
Refunds, transfers, and expenses of operation, Puerto Rico.....	600	4,778,878	4,785,000	4,785,000	4,716,386	4,720,000	4,720,000
Refunds, transfers, and expenses, unclaimed, aban- doned, and seized goods.....	600	243,843	245,000	245,000	365,954	241,743	245,000
<b>Internal Revenue Service: Expenses, Treasury Depart-     ment, enforcement title III, National Prohibition Act,     as amended, Puerto Rico and Virgin Islands.....</b>	600	92,092	144,323	142,749	129,504	149,127	142,749
<b>Coast Guard:</b>							
Commuted ration mess fund (net).....	500				• 384,341	• 20,400	• 5,664
United States Coast Guard, general gift fund.....	500		3,000	3,000		3,000	3,000
<b>Total, Treasury Department.....</b>		7,019,936,524	8,712,528,301	8,951,121,727	6,470,813,489	6,985,141,396	7,858,492,152
<b>District of Columbia.....</b>	609	209,164,740	204,239,730	219,387,300	171,197,159	212,792,451	209,271,551
<b>Deposit funds (net):</b>							
Purchase of United States securities (quasi-governmental enterprises).....					171,194,370		
Sales and redemptions of obligations in the market (quasi- governmental enterprises).....					• 279,062,500	235,173,663	• 189,401,438
Other.....					165,225,226		
<b>Additional appropriations and expenditures under proposed   for later transmission:</b>							
<b>United States Soldiers Home:</b>							
Maintenance and operation.....	100		125,000			120,000	5,000
Capital outlay.....	100						
<b>District of Columbia.....</b>	609		8,330,010	13,215,500		8,009,256	11,036,254
<b>Total, additional appropriations and expenditures     under proposed for later transmission.....</b>			8,455,010	13,215,500		8,129,256	11,041,254
<b>Total, trust fund appropriations and expenditures.....</b>		9,571,716,998	11,632,576,021	11,910,651,557	8,546,183,315	9,561,463,266	10,199,725,605

• Deduct, excess of repayments and collections over expenditures.

## HOUSING AND HOME FINANCE AGENCY—Con.

## FEDERAL NATIONAL MORTGAGE ASSOCIATION—Con.

Secondary Market Operations, Federal National Mortgage Association (Trust Revolving Fund)—Continued

## C. Statement of financial condition

	1955 actual	1956 estimate	1957 estimate
<b>ASSETS</b>			
Cash:			
In Treasury trust fund.....	\$83,970,885	\$60,124,500	\$18,124,500
With Treasury general fund.....	8,413		
On hand, in banks, and in transit.....	100	200	200
Total cash.....	83,979,398	60,124,700	18,124,700
Accounts and notes receivable:			
Government agencies.....		37,000	75,914
Other.....	5,651	50,000	100,000
Total accounts and notes receivable.....	5,651	87,000	175,914
Loans receivable: Federal Housing Administration insured and Veterans Administration guaranteed mortgages (cost).....	9,141,081	180,381,081	414,131,081
Less allowance for losses.....	4,734	104,734	254,734
Net loans receivable.....	9,136,347	180,276,347	413,876,347
Accrued assets.....	31,199	700,000	1,600,000
Acquired security or collateral: Property acquired by foreclosure, etc.....		75,414	175,000
Total assets.....	93,152,595	241,263,461	433,951,961
<b>LIABILITIES</b>			
Accounts payable.....	207		
Accrued interest payable.....		875,000	2,111,500
Income tax equivalent.....	17,692	1,303,300	3,393,700
Trust and deposit liabilities.....		2,000,000	4,560,000
Accrued liabilities:			
Dividends payable:			
On preferred stock held by Treasury.....	19,269	466,000	800,000
On common stock held by public.....		25,000	100,000
Service charges payable.....	3,466	78,000	178,000
Debentures payable.....		135,000,000	310,000,000
Total liabilities.....	40,634	139,747,300	321,143,200
<b>NET TRUST INVESTMENT AND INVESTMENT OF U. S. GOVERNMENT</b>			
Net trust investment:			
Common stock issued or subscribed.....	284,017	6,284,017	15,284,017
Retained earnings.....	982	103,500	385,840
Total trust investment.....	284,999	6,387,517	15,669,857
Investment of the U. S. Government:			
Interest bearing: Notes payable to Treasury.....		1,700,000	2,300,000
Non-interest-bearing:			
Preferred stock held by Treasury.....	92,820,305	92,820,305	92,820,305
Retained earnings.....	6,657	608,339	2,018,599
Total non-interest-bearing investment.....	92,826,962	93,428,644	94,838,904
Total investment of the U. S. Government.....	92,826,962	95,128,644	97,138,904
Net trust investment and investment of U. S. Government.....	93,111,961	101,516,161	112,808,761
Total liabilities and investments.....	93,152,595	241,263,461	433,951,961

NOTE.—Obligations other than liabilities (mortgage purchase acceptances outstanding): June 30, 1955, \$6,240,804.

## DEPARTMENT OF AGRICULTURE

## AGRICULTURAL RESEARCH SERVICE

Trust Funds, Agricultural Research Service

Appropriated (estimate) 1956, \$405,646 Estimate 1957, \$395,200

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Expenses and refunds, inspection and grading of farm products:			
(a) Inspection and certification of animal foods and inedible agricultural products in interstate and foreign commerce.....	\$77,090	\$82,000	\$82,000

## PROGRAM AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities—Continued</b>			
1. Expenses and refunds, inspection and grading of farm products—Continued.			
(b) Identification service for meat and other products.....		\$15,000	\$15,000
(c) Contract specification work on meat and meat food products.....		130,000	130,000
2. Expenses, feed and attendants for animals in quarantine.....	\$20,074	19,000	19,000
3. Miscellaneous contributed funds.....	189,827	170,000	139,300
Total obligations.....	286,991	416,000	385,300
<b>Financing:</b>			
Unobligated balance brought forward.....	—86,817	—104,798	—94,444
Recovery of prior year obligations.....	—441		
Unobligated balance carried forward.....	104,798	94,444	104,344
Appropriation.....	304,531	405,646	395,200

## PROGRAM AND PERFORMANCE

The following services are financed by fees and miscellaneous contributions advanced by importers, manufacturers, States, organizations, individuals, and others.

1. *Inspection and grading fees* provide for (a) payments for inspection and certification of animal foods and inedible agricultural products in interstate and foreign commerce; (b) identification and marking of divided portions of meat, meat byproducts, and meat food products previously federally inspected and passed and so marked in order that divided portions will bear Federal marks; and (c) examinations of meat and meat food products in federally inspected meat packing plants for compliance with contract specifications (7 U. S. C. 1622h, 1624).

2. *Expenses of providing feed and attendants for animals in quarantine* are paid from fees advanced by importers (21 U. S. C. 102).

3. *Miscellaneous contributed funds* received from States, local organizations, individuals, and others are available for work under cooperative agreements on miscellaneous production and utilization research activities, plant quarantine inspection, and cooperative plant pest control activities (5 U. S. C. 67, 563).

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	19	16	16
Full-time equivalent of all other positions.....	4	3	3
Average number of all employees.....	28	25	25
Number of employees at end of year.....	24	23	23
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,844	\$5,245	\$5,361
Average grade.....	GS-7.0	GS-7.0	GS-7.0
Ungraded positions: Average salary.....	\$3,472	\$3,750	\$3,757
01 Personal services:			
Permanent positions.....	\$111,817	\$104,620	\$105,278
Positions other than permanent.....	9,428	6,400	6,400
Regular pay above 52-week base.....	213	192	192
Payment above basic rates.....	4,650	4,300	4,300
Total personal services.....	126,108	115,512	115,978
02 Travel.....	27,946	27,000	27,000
03 Transportation of things.....	1,568	1,800	1,800
04 Communication services.....	233	250	250
05 Rents and utility services.....	4,450	4,500	4,500
06 Printing and reproduction.....	1,553		
07 Other contractual services.....	10,201	6,533	6,133
Services performed by other agencies.....	69,001	217,185	217,067
08 Supplies and materials.....	27,866	14,795	11,547
09 Equipment.....	15,857	25,000	2,000
13 Refunds, awards, and indemnities.....	2,464	3,900	
15 Taxes and assessments.....	512	325	325
Subtotal.....	287,759	416,800	386,100
Deduct charges for quarters and subsistence.....	768	800	800
Total obligations.....	286,991	416,000	385,300



## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriations:			
"Expenses and refunds, inspection and grading of farm products, Agricultural Research Service"-----	\$69,185	\$233,022	\$227,000
"Expenses, feed and attendants for animals in quarantine, Agricultural Research Service"-----	19,717	19,000	19,000
"Miscellaneous contributed funds, Agricultural Research Service"-----	215,629	153,624	149,200
Total appropriations-----	304,531	405,646	395,200
Balance brought forward:			
Unobligated-----	86,817	104,798	94,444
Obligated-----	24,966	95,010	54,957
Total budget authorizations available-----	416,314	605,454	544,601
<b>EXPENDITURES AND BALANCES</b>			
Expenditures:			
"Expenses and refunds, inspection and grading of farm products, Agricultural Research Service"-----	29,720	255,053	227,000
"Expenses, feed and attendants for animals in quarantine, Agricultural Research Service"-----	18,708	19,000	19,000
"Miscellaneous contributed funds, Agricultural Research Service"-----	168,078	182,000	150,000
Total expenditures-----	216,506	456,053	396,000
Balance carried forward:			
Unobligated-----	104,798	94,444	104,344
Obligated-----	95,010	54,957	44,257
Total expenditures and balances-----	416,314	605,454	544,601

## Advances and Reimbursements, Agricultural Research Service (Trust Fund)

## OPERATIONS AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Operations by activities:</b>			
Research and survey (total obligations)-----	\$32,000		
<b>Financing:</b>			
Unobligated balance brought forward-----	32,000		

## PROGRAM AND PERFORMANCE

Research and survey activities relating to continuing and expanding abaca production in the Western Hemisphere are financed from funds provided through advances made by the General Services Administration (50 U. S. C. 542).

## OBLIGATIONS BY OBJECTS

13 Refunds, awards, and indemnities—1955, \$32,000.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Balance brought forward:			
Unobligated-----	\$32,000		
Obligated-----	7,526		
Total budget authorizations available-----	39,526		
<b>EFFECT ON TRUST EXPENDITURES</b>			
Funds applied to operations-----	39,526		

## Allocations Received From Other Appropriation Accounts

NOTE.—Obligations incurred under allocations from other appropriations are shown in the schedules of the parent appropriations as follows: "Trust funds, Forest Service."

## EXTENSION SERVICE

## Miscellaneous Contributed Funds, Federal Extension Service

Appropriated (estimate) 1956, \$2,000      Estimate 1957, \$2,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Miscellaneous contributed funds (total obligations)-----	\$9,866	\$3,679	\$2,000
<b>Financing:</b>			
Unobligated balance brought forward-----	—9,567	—1,679	
Unobligated balance carried forward-----	1,679		
Appropriation-----	1,978	2,000	2,000

## PROGRAM AND PERFORMANCE

Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U. S. C. 67, 563).

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Average number of all employees-----	1		
Number of employees at end of year-----	0		
01 Personal services: Positions other than permanent-----	\$1,359		
02 Travel-----	1,978	\$3,000	\$2,000
04 Communication services-----		150	
06 Printing and reproduction-----	3	400	
07 Other contractual services-----	4	29	
08 Supplies and materials-----		100	
13 Refunds, awards, and indemnities: Returned to contributor-----	6,522		
Total obligations-----	9,866	3,679	2,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation-----	\$1,978	\$2,000	\$2,000
Balance brought forward:			
Unobligated-----	9,567	1,679	
Obligated-----	776	593	272
Total budget authorizations available-----	12,321	4,272	2,272
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures-----	10,049	4,000	2,000
Balance carried forward:			
Unobligated-----	1,679		
Obligated-----	593	272	272
Total expenditures and balances-----	12,321	4,272	2,272

## FOREST SERVICE

## Trust Funds, Forest Service

Appropriated (est.) 1956, \$12,540,000      Estimate 1957, \$13,000,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Cooperative work, Forest Service:			
(a) Construction and maintenance of roads and trails-----	\$678,357	\$800,000	\$800,000
(b) Construction and maintenance of other improvements-----	347,792	350,000	350,000
(c) Protection of national forests and adjacent private land-----	1,922,386	1,920,000	1,920,000
(d) Sale-area betterment and scaling-----	5,274,153	6,200,000	8,200,000
(e) Research investigations-----	642,555	650,000	650,000
(f) Administration-----	61,485	50,000	50,000
(g) Reforestation-----	37,954	30,000	30,000
Subtotal-----	8,964,682	10,000,000	12,000,000

## DEPARTMENT OF AGRICULTURE—Continued

## FOREST SERVICE—Continued

## Trust Funds, Forest Service—Continued

## PROGRAM AND FINANCING—continued

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities—Continued</b>			
2. Miscellaneous contributed funds,			
Forest Service.....	\$95,819	\$109,695	-----
Total obligations.....	9,060,501	10,109,695	\$12,000,000
<b>Financing:</b>			
Unobligated balance brought forward.....	-12,672,541	-15,323,835	-17,754,140
Recovery of prior year obligations.....	-11,426	-----	-----
Unobligated balance carried forward.....	15,323,835	17,754,140	18,754,140
<b>Appropriation.....</b>	<b>11,700,369</b>	<b>12,540,000</b>	<b>13,000,000</b>

## PROGRAM AND PERFORMANCE

1. *Cooperative work.*—Advances, including deposits from purchasers of timber, are received and used for cooperative work in forest investigations, protection, and improvement of the national forests, and protection, reforestation, and administration of private lands. Except for deposits by purchasers of national forest timber (16 U. S. C. 576b), this fund is also available for refunds to the contributors of amounts in excess of their share of the costs (16 U. S. C. 498, 572, 572a, 576b, 581; 31 U. S. C. 725s).

2. *Miscellaneous contributed funds.*—Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U. S. C. 67, 563).

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
<b>FOREST SERVICE</b>			
Total number of permanent positions.....	671	695	956
Full-time equivalent of all other positions.....	1,003	974	1,062
Average number of all employees.....	1,630	1,645	1,988
Number of employees at end of year.....	3,017	3,180	3,200
<b>Average salaries and grades:</b>			
General schedule grades:			
Average salary.....	\$4,707	\$5,065	\$5,042
Average grade.....	GS-6.6	GS-6.7	GS-6.7
Ungraded positions: Average salary.....	\$3,739	\$3,872	\$3,872
01 Personal services:			
Permanent positions.....	\$2,896,206	\$3,167,211	\$4,070,221
Positions other than permanent.....	3,145,575	3,417,325	3,765,593
Regular pay above 52-week base.....	10,924	12,288	-----
Payment above basic rates.....	116,175	102,986	110,000
Other payments for personal services.....	13,401	3,000	3,000
Total personal services.....	6,182,281	6,702,810	7,948,814
02 Travel.....	53,453	65,600	78,800
03 Transportation of things.....	35,036	41,110	47,700
04 Communication services.....	31,979	40,800	49,100
05 Rents and utility services.....	59,332	65,000	78,100
06 Printing and reproduction.....	3,745	4,600	5,500
07 Other contractual services.....	541,280	737,662	874,200
Services performed by other agencies.....	691,358	891,650	1,068,700
08 Supplies and materials.....	699,295	772,794	911,821
09 Equipment.....	86,668	99,931	120,000
10 Lands and structures.....	164,653	145,274	159,900
13 Refunds, awards, and indemnities.....	479,794	489,200	588,800
15 Taxes and assessments.....	82,294	85,650	117,700
Subtotal.....	9,111,168	10,142,081	12,049,135
Deduct charges for quarters and subsistence.....	51,632	49,310	49,135
Total, Forest Service.....	9,059,536	10,092,771	12,000,000
<b>ALLOCATION TO AGRICULTURAL RESEARCH SERVICE</b>			
Average number of all employees.....	1	1	-----
Number of employees at end of year.....	0	0	-----
01 Personal services: Positions other than permanent.....	\$211	\$1,000	-----
08 Supplies and materials.....	-----	1,000	-----
09 Equipment.....	125	269	-----
Total, Agricultural Research Service.....	336	2,269	-----

## OBLIGATIONS BY OBJECTS—continued

Object classification	1955 actual	1956 estimate	1957 estimate
<b>ALLOCATION TO DEPARTMENT OF COMMERCE</b>			
10 Lands and structures (total, Department of Commerce).....	-----	\$14,626	-----
<b>ALLOCATION TO DEPARTMENT OF THE INTERIOR</b>			
08 Supplies and materials (total, Department of the Interior).....	\$629	29	-----
Total obligations.....	9,060,501	10,109,695	\$12,000,000

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriations:			
"Cooperative work, Forest Service".....	\$11,641,295	\$12,500,000	\$13,000,000
"Miscellaneous contributed funds, Forest Service".....	59,074	40,000	-----
Total appropriations.....	11,700,369	12,540,000	13,000,000
Balance brought forward:			
Unobligated.....	12,672,541	15,323,835	17,754,140
Obligated.....	1,137,141	956,180	1,219,475
Total budget authorizations available.....	25,510,051	28,820,015	31,973,615
<b>EXPENDITURES AND BALANCES</b>			
Expenditures:			
"Cooperative work, Forest Service".....	9,083,985	9,730,000	11,700,000
"Miscellaneous contributed funds, Forest Service".....	146,051	116,400	25,000
Total expenditures.....	9,230,036	9,846,400	11,725,000
Balance carried forward:			
Unobligated.....	15,323,835	17,754,140	18,754,140
Obligated.....	956,180	1,219,475	1,494,475
Total expenditures and balances.....	25,510,051	28,820,015	31,973,615

## SOIL CONSERVATION SERVICE

## Payments in Lieu of Taxes and Operation and Maintenance Costs, Water Conservation and Utilization Projects

## PROGRAM AND PERFORMANCE

Receipts from leasing of project lands owned by the United States have been used heretofore for payments in lieu of taxes to local government taxing units and in some instances for operation and maintenance costs of the resettlement features of the projects, until land development for irrigation was completed and farm units were returned to private ownership. Funds not needed for expenses or payments in lieu of taxes were paid into miscellaneous receipts of the Treasury (40 U. S. C. 431-434). Because most Government-owned lands have been sold, no further payments are contemplated from this account. Under the Department's general authorities, all unexpended balances were transferred to miscellaneous receipts in the fiscal year 1955, and the revolving fund was terminated. All revenue received in the future will be deposited directly to miscellaneous receipts.

## A. Statement of sources and application of funds

	1955 actual	1956 estimate	1957 estimate
<b>FUNDS APPLIED</b>			
<b>To operations:</b>			
Expenses:			
Payments in lieu of taxes.....	\$1,392	-----	-----
Payments of earnings to Treasury.....	59,502	-----	-----
Total funds applied.....	60,894	-----	-----



## A. Statement of sources and application of funds—Continued

	1955 actual	1956 estimate	1957 estimate
<b>FUNDS PROVIDED</b>			
<b>By operations:</b>			
Income: Land leasing.....	\$2,195		
<b>By financing:</b>			
Decrease in Treasury cash.....	58,699		
<b>Total funds provided.....</b>	<b>60,894</b>		

## EFFECT ON TRUST EXPENDITURES

	1955 actual	1956 estimate	1957 estimate
Funds applied to operations.....	\$60,894		
Funds provided by operations.....	2,195		
<b>Net effect on trust expenditures.....</b>	<b>58,699</b>		

## B. Statement of income and expense

	1955 actual	1956 estimate	1957 estimate
<b>Income:</b>			
Land leasing.....	\$2,195		
<b>Expenses:</b>			
Payments in lieu of taxes.....	1,392		
<b>Net income for the year.....</b>	<b>803</b>		
<b>ANALYSIS OF RETAINED EARNINGS</b>			
Retained earnings, beginning of year.....	58,699		
Less payments of earnings to Treasury.....	59,502		
<b>Retained earnings, end of year.....</b>			

## C. Statement of financial condition

NOTE.—Cash balance with Treasury on June 30, 1954, was \$58,699.

## SCHEDULE A-1. Accrued expenditures by objects

Object classification	1955 actual	1956 estimate	1957 estimate
11 Grants, subsidies, and contributions.....	\$1,392		
13 Refunds, awards, and indemnities.....	59,502		
<b>Total accrued expenditures.....</b>	<b>60,894</b>		

## Other Trust Funds, Soil Conservation Service

Appropriated (est.) 1956, \$7,158,850 Estimate 1957, \$8,545,168

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Technical services and other assistance, agricultural conservation program.....	\$5,838,000	\$6,287,800	\$7,000,000
2. Miscellaneous contributed funds.....	597,041	663,320	1,545,168
<b>Total obligations.....</b>	<b>6,435,041</b>	<b>6,951,120</b>	<b>8,545,168</b>
<b>Financing:</b>			
Unobligated balance brought forward.....	—3,421,755	—3,785,416	—3,993,146
Unobligated balance carried forward.....	3,785,416	3,993,146	3,993,146
<b>Appropriation.....</b>	<b>6,798,702</b>	<b>7,158,850</b>	<b>8,545,168</b>

## PROGRAM AND PERFORMANCE

1. *Technical services and other assistance, agricultural conservation program.*—Funds are advanced to Soil Conservation Service from the agricultural conservation pro-

gram appropriation on the basis of agreements with individual county agricultural stabilization and conservation committees for technical assistance in formulating and carrying out agricultural conservation cost-sharing programs in participating counties. This assistance is over and above that which would be furnished to farmers and ranchers under the regular soil conservation programs with soil conservation districts.

2. *Miscellaneous contributed funds.*—Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U. S. C. 67, 563).

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	61	94	108
Full-time equivalent of all other positions.....	479	594	660
Average number of all employees.....	1,214	1,349	1,506
Number of employees at end of year.....	777	220	305
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$3,777	\$3,983	\$3,999
Average grade.....	GS-5.2	GS-4.9	GS-4.9
01 Personal services:			
Permanent positions.....	\$3,306,569	\$3,392,438	\$3,801,144
Positions other than permanent.....	1,433,234	1,884,581	2,094,156
Regular pay above 52-week base.....	2,107	696	
Payment above basic rates.....	5,487	4,201	5,500
Other payments for personal services.....	103		
<b>Total personal services.....</b>	<b>4,747,500</b>	<b>5,281,916</b>	<b>5,900,800</b>
02 Travel.....	65,725	99,100	109,800
03 Transportation of things.....	245	300	300
04 Communication services.....	702	200	200
05 Rents and utility services.....	151	300	300
06 Printing and reproduction.....	12		
07 Other contractual services.....	1,117,653	1,206,273	2,134,968
Services performed by other agencies.....	156,482	102,400	113,500
08 Supplies and materials.....	6,992	121,582	133,900
09 Equipment.....	1,515	13,100	14,600
13 Refunds, awards, and indemnities.....	309,288	88,499	95,700
15 Taxes and assessments.....	28,776	37,450	41,100
<b>Total obligations.....</b>	<b>6,435,041</b>	<b>6,951,120</b>	<b>8,545,168</b>

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriations:			
“Technical services and other assistance, agricultural conservation program, Soil Conservation Service, Department of Agriculture”.....	\$6,311,191	\$7,000,000	\$7,000,000
“Miscellaneous contributed funds, Soil Conservation Service”.....	487,511	158,850	1,545,168
<b>Total appropriations.....</b>	<b>6,798,702</b>	<b>7,158,850</b>	<b>8,545,168</b>
Balance brought forward:			
Unobligated.....	3,421,755	3,785,416	3,993,146
Obligated.....	202,018	326,966	320,086
<b>Total budget authorizations available.....</b>	<b>10,422,475</b>	<b>11,271,232</b>	<b>12,858,400</b>
<b>EXPENDITURES AND BALANCES</b>			
Expenditures:			
“Technical services and other assistance, agricultural conservation program, Soil Conservation Service, Department of Agriculture”.....	5,730,816	6,300,000	6,925,000
“Miscellaneous contributed funds, Soil Conservation Service”.....	579,277	658,000	1,045,900
<b>Total expenditures.....</b>	<b>6,310,093</b>	<b>6,958,000</b>	<b>7,973,900</b>
Balance carried forward:			
Unobligated.....	3,785,416	3,993,146	3,993,146
Obligated.....	326,966	320,086	891,354
<b>Total expenditures and balances.....</b>	<b>10,422,475</b>	<b>11,271,232</b>	<b>12,858,400</b>

## DEPARTMENT OF AGRICULTURE—Continued

## AGRICULTURAL MARKETING SERVICE

Trust Funds, Agricultural Marketing Service

Appropriated (est.) 1956, \$13,368,710 Estimate 1957, \$13,430,730

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
1. Expenses and refunds, inspection and grading of farm products: Inspection, grading, and certification of—			
(a) Fresh and processed fruits and vegetables.....	\$3,263,622	\$3,536,270	\$3,481,900
(b) Dairy products.....	1,685,920	1,761,360	1,734,300
(c) Poultry products.....	3,705,975	3,721,560	3,721,600
(d) Rice, hay, beans, peas, seed, hops, and miscellaneous agricultural commodities.....	890,364	1,157,600	1,139,900
(e) Naval stores.....	16,962	20,930	20,600
(f) Cottonseed.....	34,428	23,250	23,200
(g) Meat.....	3,125,663	3,425,380	3,372,700
2. Miscellaneous contributed funds.....	120,848	83,230	80,730
Total obligations.....	12,843,782	13,729,580	13,574,930
<b>Financing:</b>			
Unobligated balance brought forward.....	-3,228,062	-4,199,316	-3,838,446
Unobligated balance carried forward.....	4,199,316	3,838,446	3,694,246
<b>Appropriation.....</b>	<b>13,815,036</b>	<b>13,368,710</b>	<b>13,430,730</b>

## PROGRAM AND PERFORMANCE

1. *Expenses and refunds, inspection and grading of farm products.*—An inspection and grading service for farm products is provided upon application of interested parties. These services are supported primarily by fees and, to a limited extent, by direct appropriations made to the Agricultural Marketing Service. The schedules reflect the amount of salaries and other expenses paid from fees received (7 U. S. C. 91-99; 1621-1627).

2. *Miscellaneous contributed funds.*—Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U. S. C. 67, 563).

## OBLIGATIONS BY OBJECTS

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	2,307	2,236	2,230
Full-time equivalent of all other positions.....	78	98	96
Average number of all employees.....	2,136	2,186	2,174
Number of employees at end of year.....	2,271	2,226	2,216
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,773	\$5,207	\$5,214
Average grade.....	GS-7.2	GS-7.2	GS-7.2
Ungraded positions: Average salary.....	\$3,576	\$3,649	\$3,649
01 Personal services:			
Permanent positions.....	\$9,556,568	\$10,453,843	\$10,396,014
Positions other than permanent.....	291,798	402,473	396,400
Regular pay above 52-week base.....	32,752	40,261	40,261
Payment above basic rates.....	512,180	503,666	499,000
Total personal services.....	10,393,298	11,400,243	11,291,414
02 Travel.....	1,012,461	1,037,707	1,037,700
03 Transportation of things.....	41,814	44,700	37,000
04 Communication services.....	211,309	191,700	188,000
05 Rents and utility services.....	68,376	70,100	64,000
06 Printing and reproduction.....	65,218	60,100	57,000
07 Other contractual services.....	685,832	624,630	623,816
Services performed by other agencies.....	82,335	78,700	75,000
08 Supplies and materials.....	121,968	96,000	89,000
09 Equipment.....	99,271	77,400	71,000
13 Refunds, awards, and indemnities.....	1,587	600	500
15 Taxes and assessments.....	60,313	47,700	40,500
Total obligations.....	12,843,782	13,729,580	13,574,930

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriations:			
"Expenses and refunds, inspection and grading of farm products, Agricultural Marketing Service".....	\$13,718,573	\$13,275,000	\$13,350,000
"Miscellaneous contributed funds, Agricultural Marketing Service".....	96,463	93,710	80,730
Total appropriations.....	13,815,036	13,368,710	13,430,730
Balance brought forward:			
Unobligated.....	3,228,062	4,199,316	3,838,446
Obligated.....	1,041,440	835,204	751,619
Total budget authorizations available.....	18,084,538	18,403,230	18,020,795
<b>EXPENDITURES AND BALANCES</b>			
Expenditures:			
"Expenses and refunds, inspection and grading of farm products, Agricultural Marketing Service".....	12,936,995	13,711,350	13,547,200
"Miscellaneous contributed funds, Agricultural Marketing Service".....	113,023	101,815	74,953
Total expenditures.....	13,050,018	13,813,165	13,622,153
Balance carried forward:			
Unobligated.....	4,199,316	3,838,446	3,694,246
Obligated.....	835,204	751,619	704,396
Total expenditures and balances.....	18,084,538	18,403,230	18,020,795

## FOREIGN AGRICULTURAL SERVICE

Trust Funds, Foreign Agricultural Service

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Obligated balance brought forward.....	\$1,318	\$121	-----
<b>EXPENDITURES AND BALANCES</b>			
Expenditures:			
"Expenses of foreign students, Foreign Agricultural Service".....	544	121	-----
"Miscellaneous contributed funds, Foreign Agricultural Service".....	653	-----	-----
Total expenditures.....	1,197	121	-----
Obligated balance carried forward.....	121	-----	-----
Total expenditures and balances.....	1,318	121	-----

## COMMODITY STABILIZATION SERVICE

Miscellaneous Contributed Funds, Commodity Stabilization Service

Appropriated (estimate) 1956, \$35,000 Estimate 1957, \$35,000

## PROGRAM AND FINANCING

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Miscellaneous contributed funds (total obligations).....	\$37,740	\$35,000	\$35,000
<b>Financing:</b>			
Unobligated balance brought forward.....	-5,516	-127,854	-----
Recovery of prior year obligations.....	-127,854	-----	-----
Unobligated balance carried forward.....	127,854	-----	-----
Unobligated balance no longer available.....	-----	127,854	-----
<b>Appropriation.....</b>	<b>32,224</b>	<b>35,000</b>	<b>35,000</b>

## PROGRAM AND PERFORMANCE

Miscellaneous funds received from States, local organizations, individuals, and others are available for work under cooperative agreements (5 U. S. C. 67, 563).



## OBLIGATIONS BY OBJECTS

07 Other contractual services—1955, \$37,740; 1956, \$35,000; 1957, \$35,000.

## BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$32,224	\$35,000	\$35,000
Balance brought forward:			
Unobligated.....	5,516	127,854	
Obligated.....	190,947	31,005	15,005
Total budget authorizations available.....	228,687	193,859	50,005
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures.....	69,828	51,000	50,000
Unobligated balance no longer available (expiring for obligation).....		127,854	
Balance carried forward:			
Unobligated.....	127,854		
Obligated.....	31,005	15,005	5
Total expenditures and balances.....	228,687	193,859	50,005

## FARMERS' HOME ADMINISTRATION

State Rural Rehabilitation Funds, Farmers' Home Administration,  
Department of Agriculture

## PROGRAM AND PERFORMANCE

The funds are being administered through the Farmers' Home Administration, under agreements with 40 individual States, for use in carrying out the purposes of titles I and II of the Bankhead-Jones Farm Tenant Act, as amended. In these States, production and subsistence-type loans are made at 5-percent interest. Also, in some States, farm ownership-type loans are made from these funds and insured under the regular Farmers' Home Administration insured loan program at 3½ percent plus a 1 percent insurance charge. The entire assets of the 40 State corporations are being administered by the Farmers' Home Administration, with exception of \$2,425,218 in cash and other assets which by June 30, 1955, had been returned to and held by several States for use in rural rehabilitation.

It is estimated that a total of 5,675 loans, amounting to \$11,100,000, will be made in 1957, and 5,385 loans, amounting to \$9,802,921, in 1956, compared with 6,415 in 1955, amounting to \$14,100,157.

## A. Statement of sources and application of funds

	1955 actual	1956 estimate	1957 estimate
<b>FUNDS APPLIED</b>			
<b>To operations:</b>			
Acquisition of assets:			
Loans made.....	\$14,100,157	\$9,802,921	\$11,100,000
Acquired security or collateral.....	1,505	1,500	2,000
Judgments.....	5,533	4,000	5,000
Expenses.....	1,017,311	1,038,500	1,085,250
Funds transferred to States.....	494,892	705,000	300,000
Increase in selected working capital.....			176,500
Total funds applied.....	15,619,398	11,551,921	12,668,750
<b>FUNDS PROVIDED</b>			
<b>By operations:</b>			
Realization of assets:			
Loans repaid.....	13,653,836	8,103,713	8,780,000
Sale of acquired security or collateral.....	17,241	7,000	8,000
Sale of land and structures.....	8,919	16,000	
Collection on judgments.....	14,990	19,000	23,000
Income.....	1,485,905	1,544,000	1,577,500
Proceeds from sale of mineral interests.....	9,078		10,000
Decrease in selected working capital.....	344,546	269,565	
Total provided by operations.....	15,534,515	9,959,278	10,398,500
<b>By financing:</b>			
Decrease in Treasury cash.....	84,883	1,592,643	2,270,250
Total funds provided.....	15,619,398	11,551,921	12,668,750

## A. Statement of sources and application of funds—Continued

## EFFECT ON TRUST EXPENDITURES

	1955 actual	1956 estimate	1957 estimate
Funds applied to operations.....	\$15,619,398	\$11,551,921	\$12,668,750
Funds provided by operations.....	15,534,515	9,959,278	10,398,500
Net effect on trust expenditures.....	84,883	1,592,643	2,270,250

## B. Statement of income and expense

	1955 actual	1956 estimate	1957 estimate
<b>Income:</b>			
Interest on loans.....	\$1,481,811	\$1,540,000	\$1,575,000
Other interest income.....	2,126	1,000	1,000
Rent.....	242	3,000	1,500
Other income.....	1,726		
Total income.....	1,485,905	1,544,000	1,577,500
<b>Expenses:</b>			
Administrative expenses.....	769,357	720,000	720,000
Other expenses.....	894		
Charge-offs:			
Accounts receivable.....	6,667	18,000	15,000
Interest on loans receivable.....	240,338	300,000	350,000
Interest on accounts receivable.....	55	500	250
Subtotal.....	1,017,311	1,038,500	1,085,250
Loans receivable.....	560,303	600,000	700,000
Judgments.....	4,607	4,000	4,000
Decrease (—) in allowance for losses.....	—167,382	—737,766	—1,150,192
Total expenses.....	1,414,839	904,734	639,058
Net income from operations.....	71,066	639,266	938,442
<b>Nonoperating income or loss (—):</b>			
Proceeds from sale of mineral interests.....	9,078		10,000
Proceeds from sale of assets.....	54,341	23,000	8,000
Book value of assets sold:			
Acquired security or collateral.....	—19,873	—10,000	—10,000
Land and structures.....	—25,854	—16,000	—10,000
Net nonoperating income or loss (—).....	17,692	—3,000	—2,000
Net income for the year.....	88,758	636,266	936,442
<b>ANALYSIS OF DEFICIT</b>			
Deficit (—), beginning of year.....	—5,176,021	—5,137,565	—4,501,299
Adjustment of balance at beginning of year: Surplus closed to trust at transfer of assets to Tennessee.....	—50,302		
Deficit (—), end of year.....	—5,137,565	—4,501,299	—3,564,857

## C. Statement of financial condition

	1955 actual	1956 estimate	1957 estimate
<b>ASSETS</b>			
<b>Current assets:</b>			
Cash with Treasury.....	\$4,025,911	\$2,433,268	\$163,018
Cash on hand and in transit.....	528,650		
Accounts receivable.....	226,898	201,898	180,398
Less allowance for losses.....	134,002	116,332	100,034
Net accounts receivable.....	92,896	85,566	80,364
Accrued interest on loans receivable.....	2,888,588	3,153,088	3,351,088
Less allowance for losses.....	1,583,062	1,500,235	999,597
Net accrued interest on loans receivable.....	1,305,526	1,652,853	2,351,491
Accrued interest on accounts receivable.....	3,505	3,005	3,005
Less allowance for losses.....	2,629	2,255	2,255
Net accrued interest on accounts receivable.....	876	750	750
Undistributed charges.....	2,921		
Total current assets.....	5,956,780	4,172,437	2,595,623
Loans receivable <sup>1</sup> .....	33,711,963	34,656,171	36,166,171
Less allowance for losses.....	6,236,031	5,598,386	4,965,130
Net loans receivable.....	27,475,932	29,057,785	31,201,041
Acquired security or collateral.....	731	1,231	3,231
Land and structures: Real estate.....	44,354	34,354	22,354

<sup>1</sup> Excludes undisbursed loan commitments: June 30, 1954, \$571,435; 1955, \$399,095; 1956, \$400,000; 1957, \$500,000.

**DEPARTMENT OF AGRICULTURE—Continued****FARMERS' HOME ADMINISTRATION—Continued**

*State Rural Rehabilitation Funds, Farmers' Home Administration,  
Department of Agriculture—Continued*

**C. Statement of financial condition—Continued**

	1955 actual	1956 estimate	1957 estimate
<b>ASSETS—Continued</b>			
Other assets:			
Judgments.....	\$202,074	\$203,074	\$203,074
Less allowance for losses.....	151,556	152,306	152,306
Total other assets.....	50,518	50,768	50,768
<b>Total assets.....</b>	<b>33,528,315</b>	<b>33,316,575</b>	<b>33,873,017</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accrued expenses.....	94,293	75,000	75,000
Undistributed credits.....	3,713		
<b>Total liabilities.....</b>	<b>98,006</b>	<b>75,000</b>	<b>75,000</b>
<b>INVESTMENT OF STATES</b>			
Assets transferred under trust agreement (net).....	37,917,576	37,092,576	36,712,576
Donated assets.....	650,298	650,298	650,298
Deficit (—).....	—5,137,565	—4,501,299	—3,564,857
<b>Net investment of States.....</b>	<b>33,430,309</b>	<b>33,241,575</b>	<b>33,798,017</b>
<b>Total liabilities and investment of States.....</b>	<b>33,528,315</b>	<b>33,316,575</b>	<b>33,873,017</b>

NOTE.—Obligated balances are as follows: June 30, 1954, —\$3,325,667; 1955, —\$3,153,461; 1956, —\$2,882,991; 1957, —\$2,959,491 (negative figures represent receivables, etc., in excess of obligations).

Unobligated balances are as follows: June 30, 1954, \$7,436,461; 1955, \$7,179,372; 1956, \$5,316,259; 1957, \$3,122,509.

Cash balance with Treasury on June 30, 1954, was \$4,110,794.

**SCHEDULE A-1. Accrued expenditures by objects**

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	150	125	125
Full-time equivalent of all other positions.....	1		
Average number of all employees.....	143	129	129
Number of employees at end of year.....	197	184	184
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,221	\$4,533	\$4,557
Average grade.....	GS-5.4	GS-5.4	GS-5.4
01 Personal services:			
Permanent positions.....	\$629,064	\$584,750	\$590,000
Positions other than permanent.....	2,599		
Regular pay above 52-week base.....	3,683	2,250	
Total personal services.....	635,346	587,000	590,000
02 Travel.....	71,128	64,245	62,150
07 Other contractual services.....	4,296	4,300	4,300
Services performed by other agencies.....	57,690	63,655	62,750
13 Refunds, awards, and indemnities.....	494,892	705,000	300,000
15 Taxes and assessments.....	897	800	800
16 Investments and loans.....	14,100,157	9,802,921	11,100,000
Undistributed charges.....	254,992	324,000	372,250
<b>Total accrued expenditures.....</b>	<b>15,619,398</b>	<b>11,551,921</b>	<b>12,492,250</b>

**OFFICE OF INFORMATION**

*Miscellaneous Contributed Fund, Office of Information*

Appropriated (estimate) 1956, **\$17,450** Estimate 1957, **\$14,000**

**PROGRAM AND FINANCING**

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Miscellaneous contributed funds (total obligations).....	\$11,257	\$16,000	\$16,000
<b>Financing:</b>			
Unobligated balance brought forward.....	—12,176	—18,384	—19,834
Unobligated balance carried forward.....	18,384	19,834	17,834
<b>Appropriation.....</b>	<b>17,465</b>	<b>17,450</b>	<b>14,000</b>

**PROGRAM AND PERFORMANCE**

Miscellaneous funds received from States, local organizations, individuals and others are available for work under cooperative agreements (5 U. S. C. 67, 563).

**OBLIGATIONS BY OBJECTS**

Object classification	1955 actual	1956 estimate	1957 estimate
03 Transportation of things.....	\$717	\$1,000	\$1,000
07 Other contractual services: Services performed by other agencies.....	10,540	15,000	15,000
<b>Total obligations.....</b>	<b>11,257</b>	<b>16,000</b>	<b>16,000</b>

**BUDGET AUTHORIZATIONS, EXPENDITURES AND BALANCES**

	1955 actual	1956 estimate	1957 estimate
<b>BUDGET AUTHORIZATIONS AVAILABLE</b>			
Appropriation.....	\$17,465	\$17,450	\$14,000
Balance brought forward:			
Unobligated.....	12,176	18,384	19,834
Obligated.....	160	273	273
<b>Total budget authorizations available.....</b>	<b>29,801</b>	<b>36,107</b>	<b>34,107</b>
<b>EXPENDITURES AND BALANCES</b>			
Total expenditures.....	11,144	16,000	16,000
Balance carried forward:			
Unobligated.....	18,384	19,834	17,834
Obligated.....	273	273	273
<b>Total expenditures and balances.....</b>	<b>29,801</b>	<b>36,107</b>	<b>34,107</b>

**DEPARTMENT OF COMMERCE****BUREAU OF THE CENSUS**

*Special Statistical Work, Census*

Appropriated (estimate) 1956, **\$995,000** Estimate 1957, **\$995,000**

**PROGRAM AND FINANCING**

	1955 actual	1956 estimate	1957 estimate
<b>Program by activities:</b>			
Special statistical studies:			
(a) Age and citizenship searches.....	\$418,697	\$400,000	\$400,000
(b) Special statistical studies.....	632,898	625,000	625,000
<b>Total obligations.....</b>	<b>1,051,595</b>	<b>1,025,000</b>	<b>1,025,000</b>
<b>Financing:</b>			
Unobligated balance brought forward.....	—360,344	—302,112	—272,112
Advances and reimbursement from other accounts.....	—1,732		
Unobligated balance carried forward.....	302,112	272,112	242,112
<b>Appropriation.....</b>	<b>991,631</b>	<b>995,000</b>	<b>995,000</b>

**PROGRAM AND PERFORMANCE**

The Bureau performs special statistical work, at cost, for individuals and firms requesting such data. In addition, the Bureau furnishes age and citizenship data from past census records on a fee basis. Funds received for these purposes are used to pay expenses incurred in performance of such work (49 Stat. 293; 46 Stat. 21).

**OBLIGATIONS BY OBJECTS**

Object classification	1955 actual	1956 estimate	1957 estimate
Total number of permanent positions.....	150	150	150
Full-time equivalent of all other positions.....	43	39	26
Average number of all employees.....	181	174	174
Number of employees at end of year.....	200	200	200
Average salaries and grades:			
General schedule grades:			
Average salary.....	\$4,708	\$5,074	\$5,054
Average grade.....	GS-6.2	GS-6.4	GS-6.3



## INTRODUCTION TO PART IV

Part IV of the budget contains special analyses of budget data and Federal programs. These analyses supplement material appearing in other parts of the budget. Most of the analyses include explanatory material which expands and elaborates these introductory notes.

### FEDERAL GOVERNMENT RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

*Special analysis A* presents information on the flow of money between the public and the Federal Government as a whole, including both Federal funds and trust (and deposit) funds. Major intragovernmental and noncash transactions are excluded. This analysis also presents a reconciliation with the concept of cash deposits and withdrawals as used in the Daily Statement of the United States Treasury.

#### BUDGET RECEIPTS (BY SOURCE)

*Special analysis B* presents details on the budget receipts summarized in table 1. It includes a statement explaining the receipt estimates, together with a table giving a classification of receipts by source. The figures include receipts of both the general fund and the special funds. The text pertaining to taxes, customs, and refunds is prepared by the Treasury Department.

#### ANALYSIS OF THE BUDGET BY FUNCTION AND AGENCY

*Special analysis C* gives the details for the functional breakdown of new obligational authority and expenditures used in the budget message and in certain tables of part I. It is compiled by regrouping the figures found in the chapter summaries of part II. The code numbers used in the chapter summaries are the key to the grouping found in this analysis.

#### SPECIAL ANALYSES OF BUDGET EXPENDITURES

*Special analysis D* analyzes budget expenditures (gross and net) in terms of the duration and nature of the benefits derived. Expenditures of an *investment* type are shown in two major categories—one for acquisition and improvement of Federal assets, and the other for developmental purposes such as additions to State, local, and private assets, and expenditures for research, education, and health. Expenditures yielding *current* benefits are also grouped in two major categories—one for aids and special services to various groups and the other for the remaining current operating expenses. No adjustments are made for depreciation, obsolescence, allowances for potential losses on loans, and other items not reflected in current expenditure data.

*Special analysis E* divides budget expenditures into four major groupings in order to show the purposes or ultimate ends involved. These categories are: The cost of protection including collective security, civil benefits to various parts of society, civil operations and administration, and interest payments. The discussion of budget expendi-

tures which appears on pages M8 to M12 of the budget message is based on this classification.

#### ANALYSES OF CERTAIN PROGRAM EXPENDITURES

*Special analysis F* gives detailed information on the major Federal programs involving direct loans, loan insurance, and loan guaranties. It provides data on commitment authority, commitments, expenditures, repayments, and outstanding loans, guaranties, and insurance.

*Special analysis G* provides an analysis of the construction activities of the Federal Government. It presents detailed information on direct Federal public works and Federal grants and loans for public works. It gives summary information on Federal financial assistance for certain international public works, semipublic works, and construction by private business and individuals.

*Special analysis H* brings together information on those items in the budget which are for Federal aid to State and local governments. It includes grants-in-aid, shared revenues, and loans (including repayable advances).

*Special analysis I* shows the amounts devoted to research and development purposes. It includes both basic and applied research, and the construction of research facilities.

*Special analysis J* presents the current and recommended budget levels of the major economic statistical programs of the Federal Government.

#### SELECTED INVESTMENT AND INTERFUND TRANSACTIONS

*Special analysis K* sets forth certain investment and interfund transactions which are not reflected in the expenditures or receipts shown elsewhere in the budget. The first two groups of these are the investments by revolving and trust funds in United States Government securities (both Treasury issues and the securities of wholly owned Government enterprises), and the net borrowing or repayment of debt by wholly owned enterprises (other than their debt to the Treasury). The totals of these transactions, while not a part of budget expenditures or receipts, affect the financing requirements of the Government as a whole, and therefore are carried forward from this analysis to table 4 in part I. The other group of transactions included in this table constitutes the payments by the revolving funds to the general fund, representing the return of capital or the distribution of earnings; such payments are excluded from budget expenditures and budget receipts in parts I and II of the budget in order to avoid inflating both sides of the budget.

#### HISTORICAL COMPARISON OF BUDGET RECEIPTS AND EXPENDITURES

*Special analysis L* presents a 10-year comparison of budget receipts and expenditures. The receipts are classified by source and the expenditures by function. Technical notes set forth the changes in classifications since the 1956 budget. As in special analysis C, the code numbers appearing in the chapter summaries of part II are the key to the grouping of items in the expenditure section of this analysis.



## SPECIAL ANALYSIS A

## FEDERAL GOVERNMENT RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

This analysis presents information on the flow of money between the public and the Federal Government as a whole.

By definition, the public includes individuals, banks, other private corporations and associations, and unincorporated businesses. The Federal Reserve System, the United States Postal Savings System, State and local governments, foreign governments, and international organizations are also defined as part of the public.

Federal Government receipts and payments include the transactions of trust and deposit funds as well as Federal funds (for definitions of funds see introductions to part I and part III, pages A2 and 1014). They also include certain transactions, as reflected in the records of the United States Treasury, of Government-sponsored enterprises, mainly the Federal home loan banks, the Federal Deposit Insurance Corporation, the Federal land banks, and the banks for cooperatives. Major intra-governmental and noncash transactions are excluded in the consolidation of Federal transactions.

*Use and limitations.*—This analysis is significant for many purposes, particularly in helping to evaluate the impact of Federal transactions on the economy.

However, the full scope and impact of Federal transactions is understated, in part because the total of Federal payments to the public includes only the net spending of Government enterprises—both wholly owned and Government-sponsored. In the course of their operations, these enterprises receive interest payments, repayments of loans, and other income. These receipts are deducted from new loans and other disbursements and the net difference is reported in this analysis as the payments of the enterprises to the public. This procedure does not affect the excess of Federal receipts from or payments to the public, since the totals of both receipts and payments are understated by equal amounts.

The table in the budget message on page M22 shows that \$10.5 billion was spent in the fiscal year 1955 by wholly owned Government enterprises out of the receipts from their operations, in addition to the net expenditures which are included in budget expenditures. An estimated additional \$1.6 billion was received and spent by the Government-sponsored enterprises over and above the net payments shown for them in 1955.

It should be recognized, however, that not only receipts and payments, but also many other Federal financial activities have important economic effects. For example, the rapid expansion in new appropriations and in Government orders immediately after the attack on Korea stimulated a rise in business activity long before the authorized funds were paid to the public. Likewise, the enactment of a tax measure or even the expectation of a change in tax rates may affect business activity long before the cash flows involved take place between the Federal Government and the public. Federal guaranties and insurance of private loans (summarized in special analysis F) also influence the economy, even though they normally have little or no impact on Federal receipts from and payments to the public. Certain other Government contractual arrangements, such as the program for the lease-purchase of Government buildings, have economic effects which cannot be measured by the Government payments made in any one year. The management of the public debt is an important factor

in the money and credit markets, aside from the significance of interest payments to the public.

*Consolidated cash statement.*—Data on Federal receipts from and payments to the public represent, in effect, a consolidated cash statement of Federal transactions with the public other than borrowing operations. Major intra-governmental transactions which are reported as both expenditures and receipts in other tables in the budget are eliminated in this special analysis. Noncash items which represent accrued obligations of the Government to make payments in the future are also eliminated in the year of the accrual but are added to expenditures in subsequent years as actual payments are made. Receipts of the Government from exercise of monetary authority (mostly seigniorage on silver) are also excluded, because they do not represent cash received from the public.

## DERIVATION OF FEDERAL GOVERNMENT RECEIPTS FROM AND PAYMENTS TO THE PUBLIC

[In millions]

Description	1955 actual	1956 estimate	1957 estimate
<b>FEDERAL RECEIPTS FROM THE PUBLIC</b>			
Budget receipts (from table 1)-----	\$60,390	\$64,500	\$66,300
Trust fund receipts (from table 8)-----	9,536	11,620	11,890
Less:			
Intragovernmental transactions-----	2,061	2,621	2,810
Receipts from exercise of monetary authority-----	29	27	27
Equals: Federal receipts from the public-----	67,836	73,473	75,354
<b>FEDERAL PAYMENTS TO THE PUBLIC</b>			
Budget expenditures (from table 1)-----	64,570	64,270	65,865
Trust fund expenditures (from table 8)-----	8,546	9,561	10,200
Government-sponsored enterprise expenditures (net)-----	108	242	45
Less:			
Intragovernmental transactions-----	2,061	2,621	2,810
Accrued interest and other noncash expenditures (net)-----	615	404	381
Equals: Federal payments to the public-----	70,548	71,049	72,920
Excess of Federal receipts from the public		2,424	2,434
Excess of Federal payments to the public (-)-----	-2,712		

The amounts shown for intragovernmental transactions consist of (1) budget receipts which are also budget expenditures, such as payments to Treasury by wholly owned enterprises for interest on loans from Treasury; (2) budget receipts which are also trust fund expenditures, such as reimbursements to Treasury by the old-age and survivors insurance trust fund for expenses incurred, mainly in the collection of social security taxes; (3) budget receipts which are also Government-sponsored enterprise expenditures, such as franchise taxes paid by the banks for cooperatives; (4) trust fund receipts which are also budget expenditures, such as interest received by trust funds on their investments in public debt securities; and (5) trust fund receipts which are also trust fund expenditures, such as payments by the District of Columbia to the civil service retirement and disability fund.

The noncash expenditure items which are eliminated in the above table consist of (1) interest accrued on savings bonds which will not be paid in cash until the bonds are redeemed; (2) United States securities issued in payment of obligations which will be redeemed for cash at a later date; and (3) net changes in the clearing accounts



for checks which have been issued but not yet cashed, and for related items. When savings bonds are redeemed, the amount of interest actually paid to the public is included in Federal payments to the public. Similarly, as the other securities are redeemed (for example, Armed Forces leave bonds which were issued in 1947 and are still being cashed), these payments are also added; and if the volume of Treasury checks outstanding is reduced, this amount also is added in computing cash payments to the public.

Operating payments and receipts of Government-sponsored enterprises are included on a net basis in payments to the public. Generally, these enterprises obtain funds for their operations through direct borrowing or through cashing United States securities they hold; they apply the net income received in their regular operations to the redemption of their obligations in the market and to the purchase of United States securities.

Complete detail of all the individual adjustment items in the above table can be obtained upon request from the Bureau of the Budget.

*Reconciliation with Treasury cash deposits and withdrawals.*—The daily statement of the United States Treasury presents a consolidated cash statement of Treasury operating transactions showing cumulative results for the month and fiscal year. These published figures are similar in general concept to Federal receipts from and payments to the public, but are limited in coverage to those transactions which affect the accounts of the Treasurer of the United States.

#### RECONCILIATION OF FEDERAL GOVERNMENT RECEIPTS FROM THE PUBLIC WITH TREASURY CASH DEPOSITS

[In millions]

Description	1955 actual	1956 estimate	1957 estimate
Federal receipts from the public.....	\$67,836	\$73,473	\$75,354
Receipts from exercise of monetary authority.....	29	27	27
Net difference in actual year due to reporting method.....	-96		
Equals: Treasury cash deposits.....	67,769	73,499	75,381

As shown above, Treasury cash deposits include the receipts from exercise of the monetary authority which are omitted from Federal receipts from the public. Except for this small conceptual difference, the two consolidated statements are very closely related on the receipts side. The net difference due to reporting method applies equally in the reconciliation of receipts with deposits and in the reconciliation of payments with withdrawals.

This arises principally from the fact that changes in the clearing accounts are reported on a net basis with increases in deposits in transit deducted from increases in checks outstanding. While this reporting procedure yields an accurate measure of the *excess* of receipts or payments, it does not provide the data for adjusting separately the receipts and the payments of the Federal Government to the basis used in obtaining cash deposits to and withdrawals from the Treasurer's account.

Federal payments to the public are more inclusive than cash withdrawals from Treasury since they include the transactions from Government accounts in commercial banks and from cash balances held by agency disbursing officers. For example, if Federal cash balances outside the Treasury decrease, Federal payments to the public will be greater than cash withdrawals from Treasury; if these outside balances increase, Federal payments to the

#### RECONCILIATION OF FEDERAL GOVERNMENT PAYMENTS TO THE PUBLIC WITH TREASURY CASH WITHDRAWALS

[In millions]

Description	1955 actual	1956 estimate	1957 estimate
Federal payments to the public.....	\$70,548	\$71,049	\$72,920
Less:			
Payments to the public not reflected in accounts of the Treasurer of the United States (net):			
From cash held outside Treasury <sup>1</sup> .....	312	-17	
From proceeds of sales in the market of agency obligations and United States securities <sup>2</sup> .....	240		
Net difference in actual year due to reporting method.....	-96		
Equals: Cash withdrawals from Treasury.....	69,899	71,066	72,920

<sup>1</sup> Represents change in Government agencies' balances outside Treasury. Minus sign (-) indicates increase in cash balances.

<sup>2</sup> Includes only net sales by Government agencies and trust funds which were not reflected in the accounts of the Treasurer of the United States.

public will be smaller than cash withdrawals from Treasury.

*Federal repayment of cash borrowing from the public.*—In the long run, the amount of Federal repayment of cash borrowing from the public is affected primarily by the excess of receipts from the public over payments. Funds obtained late in one fiscal year, however, are sometimes not utilized until early in the following year. Thus, they affect the annual changes in the Government's cash balances. Receipts from the exercise of the monetary authority (mostly seigniorage on silver) provide a relatively small additional amount that is available for payment to the public or repayment of cash borrowing.

#### FEDERAL GOVERNMENT REPAYMENT OF CASH BORROWING FROM THE PUBLIC

[In millions]

Description	1955 actual	1956 estimate	1957 estimate
Excess of Federal receipts from or payments to (-) the public.....	-\$2,712	\$2,424	\$2,434
Receipts from exercise of monetary authority.....	29	27	27
Decrease in cash balances.....	863	199	
Federal repayment of cash borrowing.....		2,649	2,461
Federal cash borrowing from the public (-).....	-1,819		

The figures shown in the above table for Federal cash borrowing from the public include the net borrowing of the Treasury through sales and redemptions of United

#### RECONCILIATION OF CHANGE IN PUBLIC DEBT WITH FEDERAL GOVERNMENT REPAYMENT OF CASH BORROWING FROM THE PUBLIC

[In millions]

Description	1955 actual	1956 estimate	1957 estimate
Increase (+) or decrease in public debt (from table 4).....	-\$3,115	\$74	\$500
Increase (+) or decrease in obligations of Government enterprises held by the public (net):			
Wholly owned enterprises <sup>1</sup> .....	-602	-211	-242
Government-sponsored enterprises.....	-279	-552	-250
Investments in United States securities (net):			
Trust funds.....	1,236	2,516	1,777
Wholly owned enterprises.....	126	91	113
Government-sponsored enterprises.....	171	340	205
Increase in public debt from noncash transactions (net).....	644	421	357
Federal repayment of cash borrowing.....		2,649	2,461
Federal cash borrowing from the public (-).....	-1,819		

<sup>1</sup> Includes Federal National Mortgage Association: Secondary market operations.

States Government securities to the public. They also include the net borrowing of Government agencies and Government-sponsored enterprises through sales of their own securities. Excluded, however, are changes in the public debt which do not represent direct cash borrowing from the public. Major examples of these exclusions are (1) issuance of United States Government securities to Government trust funds, such as the old-age and survivors insurance trust fund, and (2) the addition to the public debt of certain noncash transactions such as the amount

of interest accruing on savings bonds which is not paid in cash until the bonds are redeemed.

*Federal receipts from the public by major source and payments to the public by major program.*—The table below presents a detailed breakdown similar to that which has appeared in annual budget documents for the past 7 years. Supporting schedules showing the derivation of the figures in this table can be obtained upon request from the Bureau of the Budget.

**FEDERAL GOVERNMENT RECEIPTS FROM AND PAYMENTS TO THE PUBLIC**  
**EXCLUDING MAJOR INTRAGOVERNMENTAL AND NONCASH TRANSACTIONS**

[In millions]

Description	1955 actual	1956 estimate	1957 estimate
<b>FEDERAL RECEIPTS FROM THE PUBLIC</b>			
Individual income taxes.....	\$31,650	\$33,555	\$35,118
Corporation income taxes.....	18,265	20,300	20,300
Excise taxes.....	9,211	9,894	9,887
Employment taxes.....	6,220	7,420	7,585
Estate and gift taxes.....	936	1,025	1,120
Customs.....	606	690	700
Deposits by States, unemployment insurance.....	1,146	1,300	1,250
Veterans life insurance premiums.....	441	438	446
Other budget and trust receipts.....	2,839	2,706	2,936
Refunds of receipts (—).....	—3,477	—3,855	—3,988
<b>Total Federal receipts from the public.....</b>	<b>67,836</b>	<b>73,473</b>	<b>75,354</b>
<b>FEDERAL PAYMENTS TO THE PUBLIC</b>			
Major national security.....	40,796	39,590	40,548
Veterans' services and benefits.....	5,057	5,325	5,455
International affairs and finance.....	2,008	1,982	2,036
Labor and welfare.....	9,868	10,652	11,870
Agriculture and agricultural resources.....	4,435	3,244	3,286
Natural resources.....	1,097	1,069	1,059
Commerce and housing.....	1,552	2,541	2,146
General government.....	1,399	1,635	1,689
Interest <sup>1</sup> .....	4,664	5,212	5,373
Deposit funds (net) <sup>2</sup> .....	57	235	—189
Reserve for contingencies.....	—	100	225
Deduction (—) from Federal employees' salaries for retirement funds.....	—439	—555	—554
Increase (—) or decrease in clearing account for outstanding checks, etc. <sup>3</sup> .....	55	18	—24
<b>Total Federal payments to the public.....</b>	<b>70,548</b>	<b>71,049</b>	<b>72,920</b>
<b>Excess of Federal receipts from the public.....</b>	<b>—2,712</b>	<b>2,424</b>	<b>2,434</b>
<b>Excess of Federal payments to the public (—).....</b>	<b>—</b>	<b>—</b>	<b>—</b>

<sup>1</sup> Includes adjustment for change in public debt interest checks, coupons, and accruals outstanding.

<sup>2</sup> Excludes deposit funds of Government-sponsored enterprises.

<sup>3</sup> Excludes that part of clearing account which is for public debt interest checks, coupons, and accruals outstanding.



## SPECIAL ANALYSIS B

## EXPLANATION OF THE ESTIMATES OF RECEIPTS

*Estimates based on existing legislation*

The estimates of receipts from taxes and customs for the current and ensuing fiscal years are prepared in December of each year by the Treasury Department. In general, the estimates of miscellaneous receipts are prepared by the agency depositing the receipts in the Treasury. In accordance with the practice of previous years, the following discussion deals only with estimates based on existing legislation. The estimates recognize the substantial advance in business activity, personal income, and corporate profits between 1954 and 1955. They assume an additional rise in activity and personal income in 1956.

Detailed estimates of budget receipts under both existing and proposed legislation are contained on pages 1089 to 1092.

## BUDGET RECEIPTS

Actual budget receipts amounted to \$60,390 million in the fiscal year 1955. As estimated for the ensuing fiscal years, receipts are expected to increase to \$64,295 million in the fiscal year 1956 and decline slightly to \$64,022 million in 1957. The expected rise in incomes would, by itself, produce a substantial increase in estimated receipts in 1956 and an additional rise in 1957. However, the effect of the net change in incomes between 1955 and 1956 is partially offset by the virtual termination in 1955 of collections under the excess profits tax and the completion in that year of the principal effect of the acceleration of corporate tax payments. The 1956 receipts are also reduced somewhat by the reductions in certain excise rates scheduled under present law for April 1, 1956.

The relatively small decrease in estimated receipts between 1956 and 1957, which comes in the face of an anticipated continued rise in business activity, is attributable primarily to the 5-point reduction in the corporate normal tax rate scheduled for April 1, 1956, and the full-year effect of the excise rate changes which would occur at the same time under existing law.

## FISCAL YEAR 1956

Actual receipts in the fiscal year 1955 and estimated receipts in the fiscal year 1956 are compared by major sources in the following table:

*Budget receipts (by source)*

[In millions]

Source	1955 actual	1956 estimate	Increase (+) or decrease (—) 1956 over 1955
Individual income tax.....	\$31,650.1	\$33,555.0	+\$1,904.9
Corporation income tax.....	18,204.7	20,300.0	+2,035.3
Excise taxes.....	9,210.6	9,689.0	+478.4
Employment taxes.....	6,219.7	7,420.0	+1,200.3
Estate and gift taxes.....	936.3	1,025.0	+88.7
Customs.....	606.4	690.0	+83.6
Internal revenue not otherwise classified.....	7.4	5.0	—2.4
Miscellaneous receipts.....	2,559.1	2,500.0	—59.1
<b>Total receipts.....</b>	<b>69,454.2</b>	<b>75,184.0</b>	<b>+5,729.8</b>
Deduct—			
Transfer to Federal old-age and survivors insurance trust fund.....	5,039.6	6,475.0	+1,435.4
Transfer to railroad retirement account.....	598.9	625.0	+26.1
Refunds of receipts.....	3,426.0	3,789.0	+363.0
<b>Budget receipts.....</b>	<b>60,389.7</b>	<b>64,295.0</b>	<b>+3,905.3</b>

Budget receipts are expected to advance substantially in the fiscal year 1956, because of the rise in income levels. The total increase of \$3,905 million is largely attributable to individual and corporate income taxes, although all other major tax receipts sources will also advance moderately. The general rise will be dampened to some extent by the small initial effect of excise tax reductions scheduled under present law on April 1, 1956, and by the fact that the 1955 total was increased abnormally, as a result of corrections of previous overappropriations to the Federal old-age and survivors insurance trust fund.

*Individual income tax.*—Receipts from the individual income tax are estimated to be \$33,555 million in the fiscal year 1956, an increase of \$1,905 million over actual receipts of \$31,650 million in the fiscal year 1955. The increase is estimated on the basis of the expected rise in levels of income.

*Corporation income tax.*—Corporation income tax receipts in the fiscal year 1956 are estimated to amount to \$20,300 million, \$2,035 million above the fiscal year 1955 collections. Profits in the calendar year 1955, which will largely determine receipts in the fiscal year 1956, are estimated to have increased substantially over earnings in 1954. The rise in tax revenues accompanying higher earnings, however, will be substantially offset by two additional factors. The more important of these is the termination of the increase in fiscal year receipts resulting from year-by-year acceleration of corporation installment payments required under the Revenue Act of 1950. The second offsetting factor is the virtual absence of any collections in the fiscal year 1956 from the excess profits tax, which was terminated on December 31, 1953; some revenue from this source was received in the fiscal year 1955.

Acceleration of corporate tax payments is continued by the Internal Revenue Code of 1954, through the declaration and payment of estimated tax on current income. However, in contrast to the 1950 Revenue Act, which for calendar year corporations had the effect of moving payments forward from one fiscal year to the preceding year, the acceleration of payments by such corporations under the 1954 act does not result in the movement of installments from one fiscal year to another. Since most corporations file calendar year returns, fiscal year receipts will not be appreciably affected by the current acceleration of payments.

*Excise taxes.*—Receipts from this source by major groups are listed in the table below:

[In millions]

Source	1955 actual	1956 estimate	Increase (+) or decrease (—) 1956 over 1955
Alcohol taxes.....	\$2,742.8	\$2,819.0	+\$76.2
Tobacco taxes.....	1,571.2	1,550.0	—21.2
Taxes on documents, other instruments, and playing cards.....	112.0	107.0	—5.0
Manufacturers' excise taxes.....	2,876.4	3,236.0	+359.6
Retailers' excise taxes.....	292.1	316.0	+23.9
Miscellaneous excise taxes.....	1,501.3	1,561.0	+59.7
Undistributed depository receipts and unclassified advance payments of excise taxes.....	114.7	100.0	—14.7
<b>Total excise taxes.....</b>	<b>9,210.6</b>	<b>9,689.0</b>	<b>+478.4</b>

Excise tax receipts are expected to increase from \$9,211 million in the fiscal year 1955 to \$9,689 million in the fiscal year 1956. The increase, reflecting higher levels of business activity and personal income, would be somewhat larger except for the rate reductions scheduled under present law effective April 1, 1956. These affect most of the important sources in the alcohol, tobacco, and manufacturers' excise tax groups.

Virtually all of the individual excise taxes are expected to increase in 1956; however, about three-fourths of the overall increase occurs in the manufacturers' excise tax group, principally because of the large gains estimated in receipts from the various automotive taxes.

*Employment taxes.*—The yield of the employment taxes is shown in the following table:

[In millions]

Source	1955 actual	1956 estimate	Increase (+) or decrease (—) 1956 over 1955
Federal Insurance Contributions Act .....	\$5,339.6	\$6,475.0	+\$1,135.4
Federal Unemployment Tax Act .....	280.0	320.0	+40.0
Railroad Retirement Tax Act .....	600.1	625.0	+24.9
Total employment taxes .....	6,219.7	7,420.0	+1,200.3
Deduct—			
Transfer to Federal old-age and survivors insurance trust fund .....	5,039.6	6,475.0	+1,435.4
Transfer to railroad retirement account .....	508.9	625.0	+26.1
Net employment taxes .....	581.2	320.0	–261.2

The increase in receipts from the Federal Insurance Contributions Act reflects higher income levels, the increase in coverage, and an increase in the maximum amounts subject to tax from \$3,600 to \$4,200 a year. The increase in receipts from the Federal Unemployment Tax Act arises from the elimination of quarterly installment payments, resulting in a bunching of receipts in the fiscal year 1956.

*Estate and gift taxes.*—Receipts from estate and gift taxes are estimated to be \$1,025 million in the fiscal year 1956, an increase of \$89 million, reflecting recent increases in security values.

*Customs.*—Customs receipts are estimated to amount to \$690 million in the fiscal year 1956, \$84 million above the amount collected in the fiscal year 1955, as an expected result of higher business activity.

*Miscellaneous receipts.*—Receipts from miscellaneous sources are estimated to be \$2,500 million in the fiscal year 1956 as compared with \$2,559 million in the fiscal year 1955.

*Refunds of receipts.*—Refunds of receipts are estimated to be \$3,789 million in the fiscal year 1956 as compared with \$3,426 million in the fiscal year 1955.

FISCAL YEAR 1957

Estimated receipts in the fiscal years 1956 and 1957 are compared by major sources in the following table:

## Budget receipts (by source)

[In millions]

Source	1956 estimate	1957 estimate	Increase (+) or decrease (—) 1957 over 1956
Individual income tax .....	\$33,555.0	\$35,118.0	+\$1,563.0
Corporation income tax .....	20,300.0	19,080.0	–1,220.0
Excise taxes .....	9,689.0	8,960.0	–729.0
Employment taxes .....	7,420.0	7,585.0	+165.0
Estate and gift taxes .....	1,025.0	1,120.0	+95.0
Customs .....	690.0	700.0	+10.0
Internal revenue not otherwise classified .....	5.0	5.0	—
Miscellaneous receipts .....	2,500.0	2,800.0	+300.0
Total receipts .....	75,184.0	75,368.0	+184.0
Deduct—			
Transfer to Federal old-age and survivors insurance trust fund .....	6,475.0	6,635.0	+160.0
Transfer to railroad retirement account .....	625.0	690.0	+35.0
Refunds of receipts .....	3,789.0	4,051.0	+262.0
Budget receipts .....	64,295.0	64,022.0	–273.0

Budget receipts on the basis of present law are estimated to decline slightly in the fiscal year 1957. Receipts for the year of \$64,022 million are \$273 million less than in 1956. Substantial decreases in the corporation income tax and in excise taxes reflecting rate reductions scheduled under present law for April 1, 1956, are expected to be largely offset by advances in all other major revenue sources.

*Individual income tax.*—Receipts from the individual income tax are estimated to increase to \$35,118 million in the fiscal year 1957. This increase of \$1,563 million over the estimated receipts of \$33,555 million in the fiscal year 1956 reflects the expected continued rise in levels of income.

*Corporation income tax.*—Receipts from the corporation income tax are estimated to amount to \$19,080 million in the fiscal year 1957. This is \$1,220 million less than in the fiscal year 1956. Under present law the corporation normal tax is scheduled to be reduced by 5 percentage points, effective April 1, 1956.

*Excise taxes.*—Receipts from this source by major groups are listed in the following table:

[In millions]

Source	1956 estimate	1957 estimate	Increase (+) or decrease (—) 1957 over 1956
Alcohol taxes .....	\$2,819.0	\$2,783.0	–\$36.0
Tobacco taxes .....	1,550.0	1,448.0	–102.0
Taxes on documents, other instruments, and playing cards .....	107.0	107.0	—
Manufacturers' excise taxes .....	3,236.0	2,583.0	–653.0
Retailers' excise taxes .....	316.0	323.0	+7.0
Miscellaneous excise taxes .....	1,561.0	1,616.0	+55.0
Undistributed depositary receipts and unclassified advance payment of excise taxes .....	100.0	100.0	—
Total excise taxes .....	9,689.0	8,960.0	–729.0

Excise tax receipts under present law are estimated to amount to \$8,960 million in 1957. Because of the expected rise in business activity and personal income, receipts from excise taxes would increase between fiscal years 1956 and 1957. However, because of the full-year effect of the rate reductions scheduled under present law for April 1,



1956, as compared with the part-year effect of these reductions in the fiscal year 1956, excise tax receipts are estimated to decline by a net amount of \$729 million.

The decreases estimated for the alcohol, tobacco, and manufacturers' groups reflect the effect of the rate reductions scheduled under present law on the most important revenue sources in these groups. Increases are expected in the retailers' excise taxes which are unaffected by rate changes and in the miscellaneous excise tax group where the effect of rate changes is of minor significance.

*Employment taxes.*—The details of the yield of the employment taxes are shown in the table below:

[In millions]

Source	1956 estimate	1957 estimate	Increase (+) or decrease (—) 1957 over 1956
Federal Insurance Contributions Act.....	\$6,475.0	\$6,635.0	+\$160.0
Federal Unemployment Tax Act.....	320.0	290.0	—30.0
Railroad Retirement Tax Act.....	625.0	660.0	+35.0
Total employment taxes.....	7,420.0	7,585.0	+165.0
Deduct—			
Transfer to Federal old-age and survivors insurance trust fund.....	6,475.0	6,635.0	+160.0
Transfer to railroad retirement account.....	625.0	660.0	+35.0
Net employment taxes.....	320.0	290.0	—30.0

The increase in receipts from the Federal Insurance Contributions Act is based on the estimated continued rise in levels of salaries and wages subject to tax. Receipts from the Federal Unemployment Tax Act are estimated to be lower in the fiscal year 1957 than in the fiscal year 1956 because of the bunching of receipts in the fiscal year 1956 as a result of the elimination of installment payments.

*Estate and gift taxes.*—Receipts from estate and gift taxes, reflecting current security values, are estimated to be \$1,120 million in the fiscal year 1957, an increase of \$95 million.

*Customs.*—Customs receipts are estimated to increase slightly to \$700 million in the fiscal year 1957.

*Miscellaneous receipts.*—Receipts from miscellaneous sources are estimated to increase to \$2,800 million in the fiscal year 1957, primarily as a result of an anticipated repayment of silver bullion advanced to our allies in World War II.

*Refunds of receipts.*—Refunds of receipts are estimated to amount to \$4,051 million in the fiscal year 1957, an increase of \$262 million above the \$3,789 million estimated for the previous year. The largest portion of the increase results from estimated refunds on floor stocks under certain excise taxes which are presently scheduled to be reduced in rate April 1, 1956.

## SPECIAL ANALYSIS B—Continued

## BUDGET RECEIPTS

## BY SOURCE

Based on existing and proposed legislation

[In thousands]

Source	1955 actual	1956 estimate	1957 estimate
<b>Individual income taxes:</b>			
Withheld.....	\$21, 253, 625	\$22, 500, 000	\$23, 400, 000
Other.....	10, 396, 480	11, 055, 000	11, 718, 000
Total individual income taxes.....	31, 650, 106	33, 555, 000	35, 118, 000
<b>Corporation income taxes:</b>			
Under existing legislation.....	18, 264, 720	20, 300, 000	19, 080, 000
Under proposed legislation.....			1, 220, 000
Total corporation income taxes under existing and proposed legislation.....	18, 264, 720	20, 300, 000	20, 300, 000
<b>Excise taxes:</b>			
Alcohol taxes:			
Under existing legislation:			
Distilled spirits (domestic and imported).....	1, 870, 599	1, 958, 000	1, 954, 000
Fermented malt liquors.....	737, 233	733, 000	704, 000
Rectification tax.....	23, 867	24, 000	24, 000
Wines (domestic and imported).....	81, 824	81, 000	77, 000
Special taxes in connection with liquor occupations.....	22, 521	22, 000	23, 000
Container stamps.....	6, 213		
All other.....	582	1, 000	1, 000
Total alcohol taxes under existing legislation.....	2, 742, 840	2, 819, 000	2, 783, 000
Under proposed legislation.....		68, 000	154, 000
Total alcohol taxes under existing and proposed legislation.....	2, 742, 840	2, 887, 000	2, 937, 000
Tobacco taxes:			
Under existing legislation:			
Cigarettes (small).....	1, 504, 191	1, 485, 000	1, 383, 000
Tobacco (chewing and smoking).....	16, 155	15, 000	15, 000
Cigars (large).....	46, 199	45, 200	45, 200
Snuff.....	3, 909	4, 000	4, 000
Cigarette papers and tubes.....	693	700	700
All other.....	66	100	100
Total tobacco taxes under existing legislation.....	1, 571, 213	1, 550, 000	1, 448, 000
Under proposed legislation.....		47, 000	130, 000
Total tobacco taxes under existing and proposed legislation.....	1, 571, 213	1, 597, 000	1, 578, 000
Taxes on documents, other instruments, and playing cards:			
Issues of securities, stock and bond transfers, and deeds of conveyance.....	105, 289	100, 000	100, 000
Playing cards.....	6, 700	6, 900	6, 900
Silver bullion sales or transfers.....	60	100	100
Total taxes on documents, other instruments, and playing cards.....	112, 049	107, 000	107, 000
<b>Manufacturers' excise taxes:</b>			
Under existing legislation:			
Gasoline.....	947, 005	961, 000	768, 000
Lubricating oils.....	69, 559	75, 000	75, 000
Passenger automobiles and motorcycles.....	1, 047, 813	1, 250, 000	900, 000
Automobile trucks, buses, and trailers.....	134, 805	180, 000	108, 000
Parts and accessories for automobiles.....	136, 664	152, 000	105, 000
Tires and inner tubes.....	163, 654	182, 000	171, 000
Electric, gas, and oil appliances.....	50, 859	65, 000	70, 000
Electric light bulbs.....	18, 673	21, 000	22, 000
Radio and television receiving sets, phonographs, phonograph records, and musical instruments.....	155, 919	171, 000	177, 000
Mechanical refrigerators, quick-freeze units, and self-contained air-conditioning units.....			
Business and store machines.....	38, 004	55, 000	58, 000
Photographic equipment.....	57, 281	63, 000	67, 000
Matches.....	15, 157	17, 000	18, 000
Matchboxes.....	5, 808	6, 000	6, 000
Sporting goods, including fishing rods, creels, etc.....	13, 460	15, 000	15, 000
Firearms, shells, and cartridges.....	12, 401	13, 000	13, 000
Pistols and revolvers.....	949	1, 000	1, 000
Fountain and ball point pens; mechanical pencils.....	8, 366	9, 000	9, 000
Total manufacturers' excise taxes under existing legislation.....	2, 876, 377	3, 236, 000	2, 583, 000
Under proposed legislation.....		89, 000	636, 000
Total manufacturers' excise taxes under existing and proposed legislation.....	2, 876, 377	3, 325, 000	3, 219, 000



## SPECIAL ANALYSIS B—Continued

## BUDGET RECEIPTS—Continued

[In thousands]

Source	1955 actual	1956 estimate	1957 estimate
<b>Excise taxes—Continued</b>			
Retailers' excise taxes:			
Jewelry.....	\$142,366	\$152,000	\$156,000
Furs.....	27,053	27,000	27,000
Toilet preparations.....	71,829	82,000	84,000
Luggage, handbags, wallets, etc.....	50,896	55,000	56,000
Total retailers' excise taxes.....	292,145	316,000	323,000
Miscellaneous excise taxes:			
Under existing legislation:			
Telephone, telegraph, radio and cable facilities, leased wires, etc.....	230,251	225,000	240,000
Local telephone service.....	290,198	315,000	330,000
Transportation of oil by pipeline.....	43,286	40,000	43,000
Transportation of persons.....	197,201	210,000	220,000
Transportation of property.....	398,023	420,000	430,000
Diesel fuel, including special motor fuels.....	24,767	28,000	25,000
Admissions, exclusive of cabarets, roof gardens, etc.....	106,086	108,000	110,000
Cabarets, roof gardens, etc.....	39,271	40,000	40,000
Wagering taxes, including occupational tax.....	7,807	7,000	7,000
Club dues and initiation fees.....	41,963	45,000	48,000
Leases of safe deposit boxes.....	5,568	6,000	6,000
Coconut and other vegetable oils, processed.....	18,950	19,000	19,000
Sugar tax.....	78,512	80,000	80,000
Coin-operated amusement and gaming devices.....	14,994	14,000	14,000
Bowling alleys and billiard and pool tables.....	3,364	3,000	3,000
All other miscellaneous excise taxes.....	1,030	1,000	1,000
Total miscellaneous excise taxes under existing legislation.....	1,501,272	1,561,000	1,616,000
Under proposed legislation.....		1,000	7,000
Total miscellaneous excise taxes under existing and proposed legislation.....	1,501,272	1,562,000	1,623,000
Undistributed depositary receipts and unclassified advance payments of excise taxes.....	114,687	100,000	100,000
Total excise taxes:			
Under existing legislation.....	9,210,582	9,689,000	8,960,000
Under proposed legislation.....		205,000	927,000
Total excise taxes under existing and proposed legislation.....	9,210,582	9,894,000	9,887,000
<b>Employment taxes:</b>			
Federal Insurance Contributions Act.....	5,339,573	6,475,000	6,635,000
Federal Unemployment Tax Act.....	279,986	320,000	290,000
Railroad Retirement Tax Act.....	600,106	625,000	650,000
Total employment taxes.....	6,219,665	7,420,000	7,585,000
<b>Estate and gift taxes.....</b>	936,267	1,025,000	1,120,000
<b>Customs.....</b>	606,397	690,000	700,000
<b>Internal revenue not otherwise classified.....</b>	7,352	5,000	5,000
<b>Miscellaneous receipts</b>			
Miscellaneous taxes.....	3,521	2,463	2,463
Seigniorage.....	28,980	26,565	26,830
Coinage.....	857	1,284	1,195
<b>Fees for permits and licenses:</b>			
Admission permits and fees.....	4,178	4,376	4,878
Business concessions.....	5,950	6,297	6,440
Immigration, passport and consular fees.....	16,471	14,918	14,918
Patent and copyright fees.....	6,787	7,296	11,909
Registration and filing fees.....	3,083	3,233	3,417
Miscellaneous fees for permits and licenses.....	10,113	10,672	10,511
Total fees for permits and licenses.....	46,581	46,793	52,073
<b>Fines, penalties, and forfeitures:</b>			
Fines, penalties, and forfeitures, agricultural laws.....	4,829	5,659	8,100
Fines, penalties, and forfeitures, emergency war laws.....	602	330	310
Fines, penalties, and forfeitures, immigration and labor laws.....	435	343	343
Fines, penalties, and forfeitures, customs, commerce, and antitrust laws.....	1,495	1,339	1,339
Fines, penalties, and forfeitures, narcotic, prohibition, and alcohol laws.....	91	83	83
Forfeitures, unclaimed money and property.....	1,834	1,095	1,095
Miscellaneous fines, penalties, and forfeitures.....	6,137	4,463	4,540
Total fines, penalties, and forfeitures.....	15,424	13,313	15,810

## SPECIAL ANALYSIS B—Continued

## BUDGET RECEIPTS—Continued

[In thousands]

Source	1955 actual	1956 estimate	1957 estimate
<b>Miscellaneous receipts—Continued</b>			
Gifts and contributions:			
Contributions to "conscience fund".....	\$120	\$105	\$105
Gifts to the United States.....	260	303	263
Total gifts and contributions.....	380	409	368
Interest:			
Interest on loans, Government corporations and enterprises.....	207,195	304,409	384,046
Interest on loans, States, municipalities, and other public bodies.....	16	8	8
Interest on loans to individuals and private organizations.....	553	482	477
Interest on loans, foreign governments.....	148,872	160,406	164,636
Interest on loans to Government-sponsored enterprises.....		190	650
Miscellaneous interest collections.....	50,984	35,676	35,731
Total interest.....	407,620	501,171	585,548
Dividends and other earnings:			
Earnings from Government-owned and sponsored enterprises.....	252,394	251,590	228,730
Miscellaneous dividends and earnings.....	102	331	121
Total dividends and other earnings.....	252,495	251,921	228,852
Rents:			
Rent of land.....	152,232	120,099	140,310
Rent of buildings and grounds.....	21,821	20,838	20,743
Rent of equipment and facilities.....	36,984	38,948	38,364
Total rents.....	211,037	179,885	199,417
Royalties:			
Royalties on minerals and other natural resources.....	66,046	72,881	77,136
Royalties on patents and copyrights.....	27	18	14
Total royalties.....	66,073	72,898	77,150
Sale of products:			
Sale of agricultural products, livestock, and livestock products.....	260	224	224
Sale of timber, wildlife, and other natural land products.....	108,185	131,336	138,390
Sale of minerals and mineral products.....	19,658	15,282	15,260
Sale of power and other utilities.....	105,690	142,225	162,445
Sale of publications and reproductions.....	3,705	3,542	3,763
Sale of scrap, salvage, and waste (byproducts).....	7,079	5,994	5,990
Sale of miscellaneous products.....	8,080	7,818	7,820
Total sale of products.....	252,657	306,421	333,892
Fees and other charges for services:			
Fees and other charges for accounting, legal, and judicial services.....	4,282	4,375	4,410
Fees and other charges for communication and transportation services.....	7,426	6,986	7,095
Fees and other charges for quarters, subsistence, laundry, and health services.....	3,847	4,104	4,359
Fees and other charges for testing, inspection, and grading services.....	2,336	2,431	2,019
Fees and other charges for administrative, professional, and scientific services.....	4,166	5,281	4,292
Fees and other charges for miscellaneous services.....	9,207	8,038	8,076
Total fees and other charges for services.....	31,264	31,215	30,252
Sale of Government property:			
Sale of public land and buildings.....	11,252	14,840	36,641
Sale of surplus Government property.....	200,518	205,719	158,942
Sale of other Government property.....	151,259	123,198	116,825
Total sale of Government property.....	363,030	343,757	312,408
Realization upon loans and investments:			
Repayment of capital investment, Government-owned enterprises.....	2,527	1,300	1,300
Repayment of capital investment, Government-sponsored enterprises.....	2		
Repayment of loans, foreign governments.....	48,946	57,387	54,847
Repayment of loans, States, municipalities, and other public bodies.....	257	108	110
Repayment of loans, individuals and private organizations.....	218,156	228,069	244,478
Proceeds from sale of securities, stocks, and collateral.....	854	1,086	28,920
Repayments upon other loans and investments.....	2		
Total realization upon loans and investments.....	270,744	287,950	329,655



## SPECIAL ANALYSIS B—Continued

## BUDGET RECEIPTS—Continued

[In thousands]

Source	1955 actual	1956 estimate	1957 estimate
<b>Miscellaneous receipts—Continued</b>			
Recoveries and refunds:			
Compensation for Government property lost or damaged.....	\$9,733	\$9,715	\$9,715
War reparations and recoveries under military occupation.....	9,029	160	60
Recoveries of excess profits and costs.....	48,764	44,183	40,933
Recoveries under foreign aid programs.....	268,346	154,100	318,700
Miscellaneous recoveries and refunds.....	272,571	225,797	234,678
Total recoveries and refunds.....	608,444	433,955	604,087
Total miscellaneous receipts.....	2,559,107	2,500,000	2,800,000
Total, gross budget receipts under existing and proposed legislation.....	69,454,196	75,389,000	77,515,000
<b>Deduct—</b>			
Transfer to Federal old-age and survivors insurance trust fund.....	5,039,573	6,475,000	6,635,000
Transfer to railroad retirement account.....	598,892	625,000	660,000
Refunds of receipts:			
Under existing legislation.....	3,425,988	3,789,000	4,051,000
Under proposed legislation.....			—131,000
Net budget receipts.....	60,389,744	64,500,000	66,300,000

## SPECIAL ANALYSIS C

## ANALYSIS OF BUDGET BY FUNCTION AND AGENCY

This special analysis supplies data on new obligational authority by function, and provides supporting detail for the expenditures included in the tables of the budget message, and in tables 1 and 2 of part I.

For each function and subfunction, data are listed by agencies. In order to find the appropriation items which make up the amounts shown for the agency, it is necessary to look in the chapter summary for that agency. Each entry in the chapter summary is coded to indicate the subfunction in which it is classified.

The functional classification used in this budget summarizes authorizations and expenditures according to the major purposes of the Government. Each function brings together programs which are related to a broad purpose, regardless of the agency responsible. Each major function is divided into several subfunctions which are groups of programs directed to a selected field within the broader category. Changes made in the classification this year are specified in a note in special analysis L.

For purposes of this classification each appropriation account and each special fund, revolving fund, and management fund is treated as a unit. Exceptions are made, and accounts are split into two or more categories, in only selected cases. This necessarily involves some close deci-

sions in borderline cases, and it means that programs with secondary significance for some major functions will be included in another category because another purpose predominates in the particular appropriation. Thus, to secure a comprehensive total of all Government programs related to education, for example, it would be necessary to provide a special tabulation, counting in this category some appropriations which might also be relevant to other categories.

For each major function and subfunction, expenditures are shown on a gross basis, with a deduction for receipts of public enterprise funds to arrive at net budget expenditures for the function or subfunction.

Whereas this special analysis presents both authorizations and expenditures for major functions, subfunctions, and agencies over a 3-year period, special analysis L shows expenditures for the major functions and subfunctions over a 10-year period. Special analysis A shows payments to the public, classified by major function. The functional categories are also used in the analyses summarizing Federal activities in public works and other construction, Federal aid to State and local governments, and Federal research and development programs.



## SPECIAL ANALYSIS C—Continued

## ANALYSIS OF THE BUDGET

## BY FUNCTION AND AGENCY

Based on existing and proposed legislation

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>MAJOR NATIONAL SECURITY</b>						
<b>051. Direction and coordination of defense:</b>						
Department of Defense—Military Functions: Office of the Secretary of Defense.....	\$12,971,762	\$12,670,000	\$14,950,000	\$12,767,834	\$13,150,000	\$14,450,000
<b>052. Air Force defense:</b>						
Department of Defense—Military Functions: Air Force.....	12,137,138,600	15,490,054,170	15,430,000,000	16,406,686,244	15,960,000,000	16,535,000,000
<b>053. Army defense:</b>						
Department of Defense—Military Functions: Army.....	7,764,006,386	7,351,203,000	7,731,425,000	8,899,459,360	8,510,000,000	8,582,000,000
<b>054. Naval defense:</b>						
Department of Defense—Military Functions: Navy.....	10,220,562,563	9,639,596,936	10,005,800,000	9,732,953,582	9,435,482,200	9,565,485,100
Deduct receipts of public enterprise funds.....				434,838	482,200	485,100
Total, naval defense (net).....	10,220,562,563	9,639,596,936	10,005,800,000	9,732,518,744	9,435,000,000	9,565,000,000
<b>055. Other central defense activities:</b>						
Funds appropriated to the President.....				33,803	22,000	
Department of Defense—Military Functions: Interservice activities.....	652,693,238	653,700,000	607,375,000	480,954,030	656,850,000	650,550,000
Total, other central defense activities.....	652,693,238	653,700,000	607,375,000	480,987,833	656,872,000	650,550,000
<b>056. Development and control of atomic energy:</b>						
Independent offices: Atomic Energy Commission.....	1,284,506,082	1,179,158,772	1,836,200,000	1,857,365,816	1,715,000,686	1,945,000,000
<b>057. Stockpiling and defense production expansion:</b>						
Funds appropriated to the President.....				639,171,759	507,792,131	346,960,168
General Services Administration.....	379,952,000	521,070,000		802,348,655	475,000,000	335,000,000
Subtotal.....	379,952,000	521,070,000		1,441,520,414	982,792,131	681,960,168
Deduct receipts of public enterprise funds.....				497,150,300	270,220,476	304,247,868
Total, stockpiling and defense production expansion (net).....	379,952,000	521,070,000		944,370,114	712,571,655	377,712,300
<b>058. Military assistance:</b>						
Funds appropriated to the President.....	1,134,323,387	705,000,000	2,555,000,000	2,272,411,612	2,318,000,000	2,250,000,000
<b>059. Direct forces support:</b>						
Funds appropriated to the President.....	70,000,000	317,200,000	445,000,000	19,432,050	146,000,000	250,000,000
<b>Major national security:</b>						
Department of Defense—Military Functions, proposed supplemental.....			1,117,450,000			200,000,000
Total, major national security (gross).....	33,656,154,018	35,869,652,878	39,743,200,000	41,123,584,745	39,737,297,017	40,674,445,268
Deduct receipts of public enterprise funds.....				497,585,138	270,702,676	304,732,968
Total, major national security (net).....	33,656,154,018	35,869,652,878	39,743,200,000	40,625,999,607	39,466,594,341	40,369,712,300
Enacted or recommended in this document.....	33,656,154,018	35,869,652,878	35,481,550,000	40,625,999,607	39,466,594,341	39,726,212,300
Proposed for later transmission.....			4,261,650,000			643,500,000
<b>INTERNATIONAL AFFAIRS AND FINANCE</b>						
<b>151. Conduct of foreign affairs:</b>						
Independent offices:						
Commission on Foreign Economic Policy.....				44		
Tariff Commission.....	1,352,483	1,491,300	1,555,000	1,313,625	1,484,367	1,551,083
Department of State.....	112,782,255	127,116,865	213,757,146	119,416,620	129,318,852	141,289,000
Total, conduct of foreign affairs.....	114,134,738	128,608,165	215,312,146	120,730,289	130,803,219	142,840,083
<b>152. Economic and technical development:</b>						
Funds appropriated to the President.....	1,585,176,429	1,696,141,750	1,868,500,000	1,938,623,847	1,742,801,131	1,807,000,000
Independent offices:						
Displaced Persons Commission.....				297		
Export-Import Bank of Washington.....	500,000,000			228,889,897	276,303,051	290,924,313
General Services Administration.....					*1,865,451	59,000
Department of Agriculture: Commodity Credit Corporation.....		78,931,661	88,628,927	91,404,856	186,195,177	191,884,340
Department of Commerce.....	5,750,000	62,980,000		2,421,088	13,000,000	30,000,000
Department of Defense—Civil Functions: Department of the Army.....	3,100,000	2,000,000	2,380,000	31,787,845	3,300,000	2,400,000

\* Deduct, excess of repayments and collections over expenditures.

SPECIAL ANALYSIS C—Continued  
ANALYSIS OF THE BUDGET—Continued  
BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>INTERNATIONAL AFFAIRS AND FINANCE—Continued</b>						
<b>152. Economic and technical development—Continued</b>						
Department of State.....	\$1,000,000	\$2,000,000	\$2,000,000	\$460,322	\$1,573,818	\$2,700,000
Treasury Department.....		35,168,000			35,168,000	
Subtotal.....	2,095,026,429	1,878,221,411	1,961,508,927	2,293,588,152	2,256,475,726	2,324,967,653
Deduct receipts of public enterprise funds.....				333,421,139	443,906,177	483,947,223
Total, economic and technical development (net).....	2,095,026,429	1,878,221,411	1,961,508,927	1,960,167,013	1,812,569,549	1,841,020,430
<b>153. Foreign information and exchange activities:</b>						
Funds appropriated to the President.....	5,000,000	5,000,000		2,435,301	6,000,000	1,564,699
Independent offices: United States Information Agency.....	74,099,000	87,406,630	135,000,000	83,562,066	85,875,620	103,800,000
Department of State.....	15,446,099	18,561,000	20,396,000	14,173,474	18,158,764	18,325,000
Total, foreign information and exchange activities.....	94,545,099	110,967,630	155,396,000	100,170,781	110,034,384	123,689,699
Total, international affairs and finance (gross).....	2,363,706,266	2,117,797,206	2,332,217,073	2,514,489,222	2,497,313,329	2,591,497,435
Deduct receipts of public enterprise funds.....				333,421,139	443,906,177	483,947,223
Total, international affairs and finance (net).....	2,363,706,266	2,117,797,206	2,332,217,073	2,181,068,083	2,053,407,152	2,107,550,212
Enacted or recommended in this document.....	2,363,706,266	2,109,817,906	416,217,073	2,181,068,083	2,045,692,452	1,512,015,612
Proposed for later transmission.....		7,979,300	1,916,000,000		7,714,700	593,534,600
<b>VETERANS' SERVICES AND BENEFITS</b>						
<b>101. Veterans' education and training:</b>						
Independent offices: Veterans Administration.....	522,565,551	724,260,000	724,290,000	664,493,985	724,688,000	726,010,000
<b>102. Other veterans' readjustment benefits:</b>						
Independent offices: Veterans Administration.....	43,434,449	45,436,000	50,710,000	43,321,570	45,931,000	50,010,000
Department of Labor: Veterans' unemployment compensation.....	125,489,541	120,090,000	117,500,000	106,255,276	114,996,976	117,600,000
Subtotal.....	168,923,990	165,436,000	168,210,000	149,576,846	160,927,976	167,610,000
Deduct receipts of public enterprise funds.....				62,518	40,204	20,000
Total, other veterans' readjustment benefits (net).....	168,923,990	165,436,000	168,210,000	149,514,328	160,887,772	167,590,000
<b>103. Veterans' compensation and pensions:</b>						
Independent offices: Veterans Administration.....	2,678,127,742	2,817,872,258	2,952,000,000	2,680,833,597	2,818,411,007	2,937,000,000
<b>104. Veterans' insurance and servicemen's indemnities:</b>						
Independent offices: Veterans Administration.....	64,097,158	129,543,842	56,675,000	66,766,386	126,664,514	79,801,787
Deduct receipts of public enterprise funds.....				9,597,864	16,927,394	24,804,645
Total, veterans' insurance and servicemen's indemnities (net).....	64,097,158	129,543,842	56,675,000	57,168,522	109,737,120	54,997,142
<b>105. Veterans' hospitals and medical care:</b>						
Independent offices: Veterans Administration.....	754,158,230	788,261,400	815,438,000	727,281,822	797,446,790	815,350,000
<b>106. Other veterans' services and administration:</b>						
Independent offices:						
American Battle Monuments Commission.....	4,275,710	3,926,000	2,140,000	4,649,774	4,900,000	5,000,000
Veterans Administration.....	170,720,235	169,435,200	166,107,000	196,697,983	200,570,260	195,644,783
Department of Defense—Civil Functions: Department of the Army.....	5,489,200	6,000,000	6,500,000	5,214,456	5,400,000	6,800,000
Department of Labor.....	305,588	383,000	383,000	301,244	384,332	382,565
Subtotal.....	180,790,733	179,744,200	175,130,000	206,863,457	211,254,592	207,827,348
Deduct receipts of public enterprise funds.....				29,196,119	29,357,069	29,915,188
Total, other veterans' services and administration (net).....	180,790,733	179,744,200	175,130,000	177,667,338	181,897,523	177,912,160
Total, veterans' services and benefits (gross).....	4,368,663,404	4,805,117,700	4,891,743,000	4,495,819,093	4,839,392,879	4,933,599,135
Deduct receipts of public enterprise funds.....				38,856,501	46,324,667	54,739,833
Total, veterans' services and benefits (net).....	4,368,663,404	4,805,117,700	4,891,743,000	4,456,962,592	4,793,068,212	4,878,859,302
Enacted or recommended in this document.....	4,368,663,404	4,597,035,600	4,846,743,000	4,456,962,592	4,586,891,637	4,846,953,777
Proposed for later transmission.....		208,082,100	45,000,000		206,176,575	31,905,527



SPECIAL ANALYSIS C—Continued  
ANALYSIS OF THE BUDGET—Continued  
BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>LABOR AND WELFARE</b>						
<b>211. Labor and manpower:</b>						
Independent offices:						
Federal Coal Mine Safety Board of Review.....	\$75,000	\$70,000	\$70,000	\$56,875	\$69,000	\$69,900
Federal Mediation and Conciliation Service.....	3,143,300	3,334,000	3,400,000	3,088,212	3,317,000	3,347,000
National Labor Relations Board.....	8,472,819	8,951,500	10,215,000	8,588,352	9,088,000	10,040,000
National Mediation Board.....	1,220,500	1,226,000	1,245,000	1,103,036	1,226,000	1,244,000
National Security Training Commission.....	55,000	40,000	75,000	51,139	42,536	71,500
Selective Service System.....	29,003,063	28,442,000	29,050,000	26,549,703	28,500,000	28,575,000
Department of the Interior.....	5,038,200	5,309,000	5,304,300	5,128,504	5,100,000	5,305,000
Department of Labor:						
Grants to States for unemployment compensation and employment service administration.....	229,500,000	250,000,000	265,000,000	193,552,413	230,000,000	255,250,000
Other.....	25,442,116	29,921,650	35,548,000	26,709,023	32,202,078	37,431,892
Treasury Department: Payment to unemployment trust fund.....	64,287,507	86,776,697	80,517,256	64,287,507	86,776,697	80,517,256
Subtotal.....	366,237,505	414,070,847	430,424,556	329,114,764	396,321,311	421,851,548
Deduct receipts of public enterprise funds.....				1,003,964	1,236,000	1,846,000
Total, labor and manpower (net).....	366,237,505	414,070,847	430,424,556	328,110,800	395,085,311	420,005,548
<b>212. Public assistance:</b>						
Department of Health, Education, and Welfare: Social Security Administration:						
Grants to States for public assistance.....	1,436,757,612	1,472,000,000	1,494,103,000	1,426,599,483	1,487,745,448	1,477,906,000
Other.....	1,677,394	1,830,650	1,960,000	1,666,494	1,819,083	1,938,000
Total, public assistance.....	1,438,535,006	1,473,830,650	1,496,063,000	1,428,265,977	1,489,564,531	1,479,844,000
<b>213. Promotion of public health:</b>						
Independent offices: Interstate Commission on the Potomac River Basin.....	5,000	5,000	5,000	5,000	5,000	5,000
General Services Administration.....		1,610,000		4,491,910	13,050,000	9,861,070
Department of Health, Education, and Welfare:						
Public Health Service.....	252,144,400	398,432,000	435,510,000	227,479,690	316,800,947	359,258,218
Other.....	44,151,961	49,710,650	83,529,250	43,634,419	51,277,341	72,046,897
Subtotal.....	296,301,361	449,757,650	519,044,250	275,611,019	381,133,288	441,171,185
Deduct receipts of public enterprise funds.....				186,679	195,543	196,400
Total, promotion of public health (net).....	296,301,361	449,757,650	519,044,250	275,424,340	380,937,745	440,974,785
<b>214. Promotion of education:</b>						
Department of Health, Education, and Welfare.....	240,816,892	167,308,556	590,349,831	260,210,465	231,369,517	343,705,351
Department of the Interior.....	61,016,545	43,502,200	50,700,000	61,031,420	45,518,000	50,000,000
Total, promotion of education.....	301,833,437	210,810,756	641,049,831	321,241,885	276,887,517	393,705,351
<b>215. General-purpose research, libraries, and museums:</b>						
Legislative branch.....	7,193,936	8,007,238	8,371,638	7,022,172	8,066,341	8,363,591
Independent offices:						
National Science Foundation.....	14,250,000	54,000,000	41,300,000	10,517,793	22,776,000	48,553,000
Smithsonian Institution.....	4,371,410	7,888,000	39,607,000	4,265,827	7,062,245	7,900,000
General Services Administration.....				92		
Department of Commerce.....	37,131,358	25,596,500	23,920,000	34,212,326	26,534,118	24,940,640
Subtotal.....	62,946,704	95,491,738	113,198,638	56,018,210	64,438,704	89,757,231
Deduct receipts of public enterprise funds.....					200,000	
Total, general-purpose research, libraries, and museums (net).....	62,946,704	95,491,738	113,198,638	56,018,210	64,238,704	89,757,231
<b>216. Correctional and penal institutions:</b>						
Department of Justice.....	30,455,171	34,210,000	52,400,000	28,026,080	33,033,033	35,951,000
<b>217. Other welfare services and administration:</b>						
Legislative branch.....	1,000,000	1,006,678	1,067,481	963,202	1,033,578	1,044,081
Independent offices: Railroad Retirement Board.....			1,711,000	25,910		1,711,000
Department of Agriculture.....	83,236,197	83,236,197	83,236,000	83,099,027	83,400,000	83,300,000
Department of Health, Education, and Welfare.....	33,404,850	44,111,500	48,998,000	31,176,045	42,922,505	48,503,180
Total, other welfare services and administration.....	117,641,047	128,354,375	135,012,481	115,264,184	127,356,083	134,558,261

SPECIAL ANALYSIS C—Continued  
ANALYSIS OF THE BUDGET—Continued  
BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>LABOR AND WELFARE—Continued</b>						
Total, labor and welfare (gross).....	\$2,613,850,231	\$2,806,526,016	\$3,387,192,756	\$2,553,542,119	\$2,768,734,467	\$2,996,838,576
Deduct receipts of public enterprise funds.....				1,190,643	1,631,543	2,042,400
Total, labor and welfare (net).....	2,613,850,231	2,806,526,016	3,387,192,756	2,552,351,476	2,767,102,924	2,994,796,176
Enacted or recommended in this document.....	2,613,850,231	2,626,731,500	2,680,089,756	2,552,351,476	2,664,498,481	2,590,131,103
Proposed for later transmission.....		179,794,516	707,103,000		102,604,443	404,665,073
<b>AGRICULTURE AND AGRICULTURAL RESOURCES</b>						
<b>351. Stabilization of farm prices and farm income:</b>						
Department of Agriculture:						
Commodity Credit Corporation:						
Agriculture price support.....	1,500,000,000	2,001,634,659	929,287,178	5,939,928,485	4,227,485,707	4,323,894,228
Other.....				229,822,697	825,051,645	558,569,136
Agricultural Marketing Service: Removal of surplus agricultural commodities.....	175,638,925	162,441,295	195,175,000	58,904,736	225,000,000	265,000,000
Other.....	105,776,218	162,530,435	309,455,789	144,743,562	193,482,092	331,692,129
Suhtotal.....	1,781,415,143	2,326,606,389	1,433,917,967	6,373,399,480	5,471,019,444	5,479,155,493
Deduct receipts of public enterprise funds.....				2,865,614,636	3,058,272,205	3,512,357,893
Total, stabilization of farm prices and farm income (net).....	1,781,415,143	2,326,606,389	1,433,917,967	3,507,784,844	2,412,747,239	1,966,797,600
<b>352. Financing farm ownership and operation:</b>						
Independent offices: Farm Credit Administration.....	27,107,884	22,122,000	32,178,000	1,950,218,212	2,012,428,950	2,111,198,300
Department of Agriculture.....	176,920,000	236,570,000	206,435,000	270,558,894	303,537,664	264,818,333
Suhtotal.....	204,027,884	258,692,000	238,613,000	2,220,777,106	2,315,966,614	2,376,016,633
Deduct receipts of public enterprise funds.....				1,985,105,468	2,101,633,650	2,162,537,818
Total, financing farm ownership and operation (net).....	204,027,884	258,692,000	238,613,000	235,671,638	214,332,964	213,478,815
<b>353. Financing rural electrification and rural telephones:</b>						
Department of Agriculture.....	252,383,490	243,141,500	203,500,000	204,021,197	223,109,600	238,661,024
<b>354. Conservation and development of agricultural land and water resources:</b>						
Department of Agriculture:						
Agricultural conservation program.....	191,700,000	214,500,000	225,000,000	235,147,121	220,000,000	220,000,000
Commodity Credit Corporation.....				43,450,000	43,450,000	43,450,000
Other.....	75,282,639	85,425,000	92,522,000	69,987,596	82,780,898	88,668,300
Suhtotal.....	266,982,639	299,925,000	317,522,000	348,584,717	346,230,898	352,118,300
Deduct receipts of public enterprise funds.....				62,143,881	32,450,000	18,450,000
Total, conservation and development of agricultural land and water resources (net).....	266,982,639	299,925,000	317,522,000	286,440,836	313,780,898	333,668,300
<b>355. Research and other agricultural services:</b>						
Department of Agriculture:						
Commodity Credit Corporation.....				13,707,209	17,282,320	424,190
Other.....	167,459,334	195,272,768	228,808,302	163,396,584	201,388,319	223,887,005
Total, research and other agricultural services.....	167,459,334	195,272,768	228,808,302	177,103,793	218,670,639	224,311,195
Deduct receipts of public enterprise funds.....					6,630,200	13,060,954
Total, research and other agricultural services (net).....	167,459,334	195,272,768	228,808,302	177,103,793	212,040,439	211,250,241
<b>New agricultural measures—Soil bank and accompanying proposals.....</b>						
			450,000,000			400,000,000
Total, agriculture and agricultural resources (gross).....	2,672,268,490	3,323,637,657	2,872,361,269	9,323,886,293	8,574,997,195	9,070,262,645
Deduct receipts of public enterprise funds.....				4,912,863,985	5,198,986,055	5,706,406,665
Total, agriculture and agricultural resources (net).....	2,672,268,490	3,323,637,657	2,872,361,269	4,411,022,308	3,376,011,140	3,363,855,980
Enacted or recommended in this document.....	2,672,268,490	3,310,533,157	2,394,792,769	4,411,022,308	3,363,500,155	2,937,725,465
Proposed for later transmission.....		13,104,500	477,568,500		12,510,985	426,130,515



**SPECIAL ANALYSIS C—Continued**  
**ANALYSIS OF THE BUDGET—Continued**  
**BY FUNCTION AND AGENCY—Continued**

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>NATURAL RESOURCES</b>						
<b>401. Conservation and development of land and water resources:</b>						
Independent offices:						
Federal Power Commission .....	\$4,349,359	\$4,939,682	\$5,289,427	\$4,200,864	\$4,890,838	\$5,246,682
Tennessee Valley Authority .....	120,000,000	30,553,000	73,857,000	385,983,182	286,897,793	230,186,000
Department of Defense—Civil Functions: Department of the Army .....	340,086,349	440,741,514	415,637,000	383,228,891	404,699,578	396,483,593
Department of the Interior:						
Bureau of Reclamation .....	165,918,954	183,867,000	221,327,000	163,202,177	174,644,208	205,981,606
Other .....	70,845,367	80,983,492	87,370,050	93,875,133	105,380,186	109,092,592
Department of State .....	1,761,868	1,777,000	1,969,000	2,820,177	4,314,000	3,960,000
Subtotal .....	702,961,897	742,861,688	805,449,477	1,033,310,424	980,826,603	950,950,473
Deduct receipts of public enterprise funds .....				218,593,571	251,453,583	260,756,270
Total, conservation and development of land and water resources (net) .....	702,961,897	742,861,688	805,449,477	814,716,853	729,373,020	690,194,203
<b>402. Conservation and development of forest resources:</b>						
Department of Agriculture .....	112,363,538	131,212,129	138,175,200	106,396,843	129,678,015	135,443,970
Department of the Interior .....	11,902,010	9,045,607	8,807,000	11,902,010	9,045,607	8,807,000
Total, conservation and development of forest resources .....	124,265,548	140,257,736	146,982,200	118,298,853	138,723,622	144,250,970
<b>403. Conservation and development of mineral resources:</b>						
Department of Defense—Civil Functions: Department of the Army .....				49,323	25,000	3,500
Department of the Interior .....	42,929,155	50,095,905	46,039,300	40,851,406	50,324,896	57,006,518
Subtotal .....	42,929,155	50,095,905	46,039,300	40,900,729	50,349,896	57,010,018
Deduct receipts of public enterprise funds .....				4,126,564	4,972,376	5,010,012
Total, conservation and development of mineral resources (net) .....	42,929,155	50,095,905	46,039,300	36,774,165	45,377,520	52,000,006
<b>404. Conservation and development of fish and wildlife:</b>						
Department of Defense—Civil Functions: Department of the Air Force .....	14,343	15,000	15,000	14,620	18,900	19,500
Department of the Interior .....	39,625,545	48,566,834	53,351,994	42,237,739	43,905,380	46,000,248
Department of State .....	310,000	455,000	650,000	255,791	503,470	600,000
Total conservation and development of fish and wildlife .....	39,949,888	49,036,834	54,016,994	42,508,150	44,427,750	46,619,748
<b>405. Recreational use of natural resources:</b>						
Independent offices: Historical and memorial commissions .....		65,000			35,000	27,000
Department of the Interior .....	22,984,338	26,430,565	28,266,470	34,998,109	52,211,184	59,132,000
Total, recreational use of natural resources .....	22,984,338	26,495,565	28,266,470	34,998,109	52,246,184	59,159,000
<b>409. General resource surveys and administration:</b>						
Department of the Interior .....	33,243,263	35,933,100	40,031,000	33,984,913	34,932,089	39,099,099
Total, natural resources (gross) .....	966,334,089	1,044,680,828	1,120,785,441	1,304,001,178	1,301,506,144	1,297,089,308
Deduct receipts of public enterprise funds .....				222,720,135	256,425,959	265,766,282
Total, natural resources (net) .....	966,334,089	1,044,680,828	1,120,785,441	1,081,281,043	1,045,080,185	1,031,323,026
Enacted or recommended in this document .....	966,334,089	985,021,534	1,008,591,947	1,081,281,043	991,797,882	983,409,529
Proposed for later transmission .....		59,659,294	112,193,494		53,282,303	47,913,497
<b>COMMERCE AND HOUSING</b>						
<b>511. Promotion of water transportation:</b>						
Independent offices: Saint Lawrence Seaway Development Corporation .....				3,147,811	13,465,037	42,759,000
Department of Commerce .....	241,206,000	256,772,000	307,960,000	182,036,938	245,402,624	250,592,664
Department of Defense—Civil Functions: Department of the Army .....	103,619,727	155,861,000	184,340,000	203,720,028	228,916,174	252,139,150
Treasury Department .....	183,253,198	195,742,000	202,000,000	190,198,178	199,780,297	203,643,920
Subtotal .....	528,078,925	608,375,000	694,300,000	579,102,955	687,564,132	749,134,734
Deduct receipts of public enterprise funds .....				109,967,733	120,877,427	119,807,011
Total, promotion of water transportation (net) .....	528,078,925	608,375,000	694,300,000	469,135,222	566,686,705	629,327,723

SPECIAL ANALYSIS C—Continued  
ANALYSIS OF THE BUDGET—Continued  
BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>COMMERCE AND HOUSING—Continued</b>						
<b>512. Provision of highways:</b>						
Department of Commerce:						
Federal aid highway grants.....	\$885,000,000	\$895,000,000	\$885,000,000	\$594,925,338	\$744,472,872	\$800,000,000
Other.....	22,790,000	22,500,000	22,500,000	38,173,992	30,895,955	26,000,000
Department of the Interior.....	12,100,000	10,300,000	25,250,000	13,423,860	14,500,000	18,431,000
Total, provision of highways.....	919,890,000	927,800,000	932,750,000	646,523,190	789,868,827	844,431,000
<b>513. Promotion of aviation:</b>						
Independent offices: National Advisory Committee for Aeronautics.....	56,860,000	72,700,000	79,700,000	73,796,890	71,000,000	75,000,000
Department of Commerce.....	180,341,359	250,407,638	255,618,000	178,981,876	191,992,901	234,079,838
Total, promotion of aviation (net).....	237,201,359	323,107,638	335,318,000	252,778,766	262,992,901	309,079,838
<b>514. Postal service:</b>						
Post Office Department.....	362,673,686	440,590,000	120,000,000	2,732,776,844	2,944,621,175	2,680,319,000
Deduct receipts of public enterprise funds.....				2,376,477,804	2,461,142,884	2,563,106,041
Postal service (net, general fund).....	362,673,686	440,590,000	120,000,000	356,299,040	483,478,291	117,212,959
<b>515. Community development and facilities:</b>						
General Services Administration.....				91,483	62,282	100,000
Housing and Home Finance Agency.....	4,500,000	305,000,000	215,000,000	67,562,222	94,032,099	126,648,670
Department of Health, Education, and Welfare.....				1,430,568		
Department of the Interior.....	9,451,030	3,000,000	5,000,000	10,436,647	10,000,000	10,084,725
Treasury Department.....				9,222,159		
Subtotal.....	13,951,030	308,000,000	220,000,000	88,743,079	104,094,381	136,833,395
Deduct receipts of public enterprise funds.....				32,801,466	53,655,473	40,630,038
Total, community development and facilities (net).....	13,951,030	308,000,000	220,000,000	55,941,613	50,438,908	96,203,357
<b>516. Public housing programs:</b>						
Independent offices:						
Atomic Energy Commission.....		106,000	700,000		106,000	700,000
National Capital Housing Authority.....	43,000	38,400	39,000	45,209	39,301	39,000
Housing and Home Finance Agency.....	75,516,000	94,267,000	107,450,000	322,229,053	530,424,242	597,607,920
Subtotal.....	75,559,000	94,411,400	108,189,000	322,274,262	530,569,543	598,346,920
Deduct receipts of public enterprise funds.....				437,752,568	478,028,100	514,907,900
Total, public housing programs (net).....	75,559,000	94,411,400	108,189,000	• 115,478,306	52,541,443	83,439,020
<b>517. Other aids to housing:</b>						
Independent offices:						
Federal Home Loan Bank Board.....				4,170,561	5,228,051	6,133,539
Veterans Administration.....	124,424,567	88,000,000	85,000,000	125,330,059	127,720,000	141,675,000
Housing and Home Finance Agency:						
Federal National Mortgage Association.....	500,000,000	250,000,000		698,954,512	290,276,650	329,726,650
Other.....	3,968,500	238,317,064	114,139,400	180,639,551	203,048,804	208,083,300
Department of Agriculture.....		5,000,000			2,500,000	2,500,000
Subtotal.....	628,393,067	581,317,064	199,139,400	1,009,094,683	628,773,505	688,118,489
Deduct receipts of public enterprise funds.....				739,556,168	690,979,438	909,115,035
Total, other aids to housing (net).....	628,393,067	581,317,064	199,139,400	269,538,515	• 62,205,933	• 220,996,546
<b>518. Other aids to business:</b>						
Legislative branch.....	1,123,900	1,238,475	1,287,547	1,076,506	1,264,918	1,284,457
Independent offices:						
Small Business Administration.....	17,369,914	2,128,000	22,290,000	24,437,068	26,847,458	27,745,700
Atomic Energy Commission.....				2,408	2,500	2,500
General Services Administration.....				6,140,035	3,596,743	3,783,435
Department of Commerce.....	32,957,214	37,522,000	95,370,000	32,649,780	37,702,864	52,319,550
Department of Defense—Civil Functions.....				6,338,813	5,575,000	3,408,000
Department of Health, Education, and Welfare.....				• 1,764		
Department of the Interior.....	2,900,000	4,100,000		21,245,854	23,768,219	20,320,000
Treasury Department.....				291,274,568	55,940,364	4,846,022
Subtotal.....	54,351,028	44,988,475	118,947,547	383,163,268	154,698,066	113,709,664

• Deduct, excess of repayments and collections over expenditures.



SPECIAL ANALYSIS C—Continued  
ANALYSIS OF THE BUDGET—Continued  
BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>COMMERCE AND HOUSING—Continued</b>						
<b>518. Other aids to business—Continued</b>						
Deduct receipts from public enterprise funds.....				\$786,855,456	\$259,692,777	\$66,158,585
Total, other aids to business (net).....	\$54,351,028	\$44,988,475	\$118,947,547	* 403,692,188	* 104,994,711	47,551,079
<b>519. Regulation of commerce and finance:</b>						
Independent offices:						
Economic Stabilization Agency.....				10,162		
Federal Communications Commission.....	6,911,769	7,323,000	7,850,000	6,717,698	7,235,015	7,700,000
Federal Trade Commission.....	4,129,000	4,548,500	5,500,000	4,048,385	4,599,307	5,340,000
Interstate Commerce Commission.....	11,842,157	12,896,000	14,000,000	11,525,751	13,113,000	13,750,000
Securities and Exchange Commission.....	4,843,180	5,280,500	5,749,000	4,773,815	5,281,162	5,770,500
Department of Commerce:						
Office of the Secretary.....				281,058	1,653	
Civil Aeronautics Board.....	3,838,600	4,395,500	4,700,000	3,780,507	4,406,000	4,676,000
Bureau of Foreign Commerce: Export control.....	3,470,900	2,835,000	2,000,000	3,477,124	2,918,789	2,052,550
Department of Health, Education, and Welfare.....				1,452,593	1,934,399	2,117,023
Department of Justice.....	3,156,614	3,464,000	4,265,000	3,001,844	3,539,540	4,172,729
Subtotal.....	38,192,220	40,742,500	44,064,000	39,068,937	43,028,865	45,578,802
Deduct receipts of public enterprise funds.....				1,534,897	1,930,688	2,259,656
Total, regulation of commerce and finance (net).....	38,192,220	40,742,500	44,064,000	37,534,040	41,098,177	43,319,146
<b>520. Civil defense:</b>						
Independent offices: Federal Civil Defense Administration.....	49,325,000	69,102,000	123,200,000	68,684,094	63,338,270	93,089,000
Department of Health, Education, and Welfare.....	1,000,000			674,257	215,715	
Treasury Department.....				416,306	34,000	28,000
Subtotal.....	50,325,000	69,102,000	123,200,000	69,774,657	63,587,985	93,117,000
Deduct receipts of public enterprise funds.....				27,462,049	4,571,892	3,229,000
Total, civil defense (net).....	50,325,000	69,102,000	123,200,000	42,312,608	59,016,093	89,888,000
<b>521. Disaster insurance, loans and relief:</b>						
Funds appropriated to the President.....		28,500,000		8,939,049	13,689,043	4,700,000
Independent offices: Small Business Administration.....	10,000,000	25,000,000	10,000,000	6,982,823	35,502,114	10,578,900
Housing and Home Finance Agency.....			100,000,000			25,000,000
Subtotal.....	10,000,000	53,500,000	110,000,000	15,921,872	49,191,157	40,278,900
Deduct receipts of public enterprise funds.....				4,352,762	5,707,800	8,622,500
Total, disaster insurance loans and relief (net).....	10,000,000	53,500,000	110,000,000	11,569,110	43,483,357	31,656,400
Total, commerce and housing (gross).....	2,918,615,315	3,491,934,077	3,005,907,947	6,139,222,513	6,258,990,537	6,298,947,742
Deduct receipts of public enterprise funds.....				4,516,760,903	4,076,586,479	4,227,835,766
Total, commerce and housing (net).....	2,918,615,315	3,491,934,077	3,005,907,947	1,622,461,610	2,182,404,058	2,071,111,976
Enacted or recommended in this document.....	2,918,615,315	3,391,595,762	2,199,657,947	1,622,461,610	2,028,526,358	2,373,171,361
Proposed for later transmission.....		100,338,315	806,250,000		153,877,700	* 203,059,385
<b>GENERAL GOVERNMENT</b>						
<b>601. Legislative functions: Legislative branch.....</b>	94,289,148	115,336,937	73,115,387	59,882,211	86,666,599	110,899,510
<b>602. Judicial functions:</b>						
Legislative branch.....	25,000	25,000	27,500	24,186	24,579	27,000
The Judiciary.....	31,574,169	37,378,730	40,784,635	30,431,879	37,224,732	40,969,935
Independent offices: Indian Claims Commission.....	117,000	122,200	124,600	115,449	122,586	124,494
General Services Administration.....	2,970,600			201,675	2,021,064	788,561
Total, judicial functions.....	34,686,769	37,525,930	40,936,735	30,773,189	39,392,961	41,909,990
<b>603. Executive direction and management:</b>						
Executive Office of the President.....	8,532,814	10,449,275	10,424,475	8,534,505	10,326,912	10,380,016
Funds appropriated to the President.....	1,050,000	1,000,000	1,400,000	328,075	1,325,367	1,474,130
Independent offices:						
Commission on Intergovernmental Relations.....	574,000			519,626	108,970	
Commission on Organization of the Executive Branch of the Government.....	916,625			1,958,889	266,256	

\* Deduct, excess of repayments and collections over expenditures.

SPECIAL ANALYSIS C—Continued  
ANALYSIS OF THE BUDGET—Continued

BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>GENERAL GOVERNMENT—Continued</b>						
<b>603. Executive direction and management—Continued</b>						
General Services Administration.....				\$7,508		
Treasury Department.....	\$916,367	\$1,008,000	\$1,008,000	885,617	\$1,038,607	\$1,008,000
Total, executive direction and management.....	11,989,806	12,457,275	12,832,475	12,234,220	13,066,112	12,862,146
<b>604. Federal financial management:</b>						
Independent offices:						
General Accounting Office.....	31,981,000	34,181,000	34,581,000	30,773,525	34,338,786	34,681,000
Renegotiation Board.....	4,500,000	4,150,000	3,750,000	4,381,080	4,151,903	3,774,000
The Tax Court of the United States.....	1,076,858	1,242,000	1,365,000	1,065,805	1,275,811	1,359,468
Treasury Department.....	405,804,153	432,542,219	439,791,000	394,938,005	442,730,274	438,865,793
Subtotal.....	443,362,011	472,115,219	479,487,000	431,158,415	482,496,774	478,680,261
Deduct receipts of public enterprise funds.....				157,196	150,000	160,000
Total, Federal financial management (net).....	443,362,011	472,115,219	479,487,000	431,001,219	482,346,774	478,520,261
<b>605. General property and records management:</b>						
Independent offices: Central Intelligence Agency.....		5,500,000	49,000,000		1,000,000	14,600,000
General Services Administration.....	149,841,300	184,327,700	218,324,000	164,435,243	170,504,958	209,918,238
Subtotal.....	149,841,300	189,827,700	267,324,000	164,435,243	171,504,958	224,518,238
Deduct receipts of public enterprise funds.....				606,898	444,068	446,000
Total, general property and records management (net).....	149,841,300	189,827,700	267,324,000	163,828,345	171,060,890	224,072,238
<b>606. Central personnel management and employment costs:</b>						
Independent offices: Civil Service Commission.....	47,778,770	252,460,500	314,642,000	46,690,092	252,604,403	314,626,672
Department of Labor.....	66,430,598	83,317,500	83,353,000	68,097,803	82,704,523	83,395,200
Total, central personnel management and employment costs.....	114,209,368	335,778,000	397,995,000	114,787,895	335,308,926	398,021,872
<b>607. Civilian weather services:</b>						
Independent offices: Advisory Committee on Weather Control.....	120,000	275,000	10,450	92,190	256,745	30,100
Department of Commerce: Weather Bureau.....	25,178,611	41,650,000	38,000,000	25,285,071	35,630,800	36,370,600
Total, civilian weather services.....	25,298,611	41,925,000	38,010,450	25,377,261	35,887,545	36,400,700
<b>608. Protective services and alien control:</b>						
Independent offices:						
Civil Service Commission.....	892,347	554,385	574,000	534,698	551,043	571,900
Commission on Government Security.....		50,000			45,000	5,000
Subversive Activities Control Board.....	280,000	298,600	350,000	258,841	298,894	350,000
Housing and Home Finance Agency.....	503,840			500,000	3,840	
Department of Justice.....	155,601,381	174,679,100	179,215,000	150,628,943	182,015,358	177,829,363
Treasury Department.....	5,460,589	6,289,000	6,624,000	5,283,007	6,382,267	6,599,847
Total, protective services and alien control.....	162,738,157	181,871,085	186,763,000	157,205,489	189,296,402	185,356,110
<b>609. Territories and possessions, and the District of Columbia:</b>						
Independent offices:						
Historical and memorial commissions.....		25,000		6,434	25,000	
National Capital Planning Commission.....	888,000	652,000	1,910,000	300,447	1,523,242	1,797,700
Department of Defense—Civil Functions: Department of the Army.....	15,433,000	16,858,700	20,660,000	15,484,591	17,086,714	18,551,200
Department of the Interior.....	12,511,920	12,948,636	10,528,000	15,238,874	15,645,984	13,899,683
Treasury Department.....	17,454,770	17,550,000	17,550,000	16,046,840	19,098,196	17,550,000
District of Columbia:						
Federal contribution.....	21,890,000	21,892,700	24,358,650	21,890,000	21,892,700	24,358,650
Other.....	7,957,000	9,700,000	10,700,000		3,265,000	8,290,000
Subtotal.....	76,134,690	79,627,036	85,706,650	68,967,186	78,536,836	84,447,233
Deduct receipts of public enterprise funds.....				2,364,769	2,449,346	2,502,183
Total, territories and possessions, and the District of Columbia (net).....	76,134,690	79,627,036	85,706,650	66,602,417	76,087,490	81,945,050



SPECIAL ANALYSIS C—Continued  
ANALYSIS OF THE BUDGET—Continued  
BY FUNCTION AND AGENCY—Continued

Function and agency	NEW OBLIGATIONAL AUTHORITY			EXPENDITURES		
	1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>GENERAL GOVERNMENT—Continued</b>						
<b>610. Other general government:</b>						
Legislative branch.....	\$2,825,000	\$2,937,270	\$2,990,400	• \$3,600,128	\$821,206	\$1,060,929
Funds appropriated to the President.....					20	
Independent offices:						
Foreign Claims Settlement Commission.....	190,343	12,600,000	700,000	185,040	12,577,879	686,500
Historical and memorial commissions.....	150,696	365,800	125,000	71,198	352,390	200,270
Permanent Committee for the Oliver Wendell Holmes Devise.....		421,517	12,646			
Department of Defense: Civil functions: Department of the Army.....		28,000,000	35,000,000	561	28,000,000	35,000,000
Department of the Interior.....	169,789	172,700	181,500	161,798	830,286	181,330
Treasury Department: Claims, judgments, and private relief acts.....	22,380,347	14,018,428	1,620	142,358,108	139,617,674	150,001,620
Total, other general government.....	25,716,175	58,515,715	39,011,166	139,176,577	182,199,455	187,130,649
Total, general government (gross).....	1,138,266,035	1,524,979,897	1,621,181,863	1,203,997,686	1,614,356,568	1,760,226,709
Deduct receipts of public enterprise funds.....				3,128,863	3,043,414	3,108,183
Total, general government (net).....	1,138,266,035	1,524,979,897	1,621,181,863	1,200,868,823	1,611,313,154	1,757,118,526
Enacted or recommended in this document.....	1,138,266,035	1,453,592,407	1,565,181,863	1,200,868,823	1,542,302,204	1,740,441,986
Proposed for later transmission.....		71,387,490	56,000,000		69,010,950	16,676,540
<b>INTEREST</b>						
<b>651. Interest on the public debt:</b>						
Treasury Department.....	6,370,361,774	6,800,000,000	7,000,000,000	6,370,361,774	6,800,000,000	7,000,000,000
<b>652. Interest on refunds of receipts:</b>						
General Services Administration.....		270,000		109,514	110,000	110,000
Treasury Department.....	62,126,599	68,930,000	59,800,000	62,126,599	68,930,000	59,800,000
Subtotal.....	62,126,599	69,200,000	59,800,000	62,236,113	69,040,000	59,910,000
<b>653. Interest on uninvested funds:</b>						
Treasury Department.....	5,359,386	5,855,015	6,114,709	5,359,386	5,855,015	6,114,709
Total, interest.....	6,437,847,759	6,875,055,015	7,065,914,709	6,437,957,273	6,874,895,015	7,066,024,709
Enacted or recommended in this document.....	6,437,847,759	6,874,785,015	7,065,914,709	6,437,957,273	6,874,845,015	7,065,914,709
Proposed for later transmission.....		270,000			50,000	110,000
<b>RESERVE FOR CONTINGENCIES</b> .....		125,000,000	250,000,000		100,000,000	225,000,000
Total, new obligational authority and expenditures (gross).....	57,075,705,607	61,984,381,274	66,290,504,058	75,096,500,122	74,567,483,151	76,913,931,527
Deduct receipts of public enterprise funds.....				10,526,527,307	10,297,606,970	11,048,579,320
Total, new obligational authority and expenditures (net).....	57,075,705,607	61,984,381,274	66,290,504,058	64,569,972,815	64,269,876,181	65,865,352,207
Enacted or recommended in this document.....	57,075,705,607	61,218,765,759	57,658,739,064	64,569,972,815	63,564,648,525	63,775,975,842
Proposed for later transmission.....		765,615,515	8,631,764,994		705,227,656	2,089,376,365

• Deduct, excess of repayments and collections over expenditures.

## SPECIAL ANALYSIS D

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES

## INTRODUCTION

Like the functional classification in special analysis C and the agency classification in part II of the budget, this analysis of Government expenditures is designed to contribute to a general understanding of total budget expenditures and of budgetary problems. It classifies Government expenditures according to those which yield benefits beyond the current fiscal year and those which in the main yield benefits within the year in which the expenditure is made.

Expenditures of an investment type, that is, those yielding benefits over a period of years, are shown in two major categories—one for the acquisition of assets by the Federal Government and the other for other broad developmental purposes such as additions to State, local, and private assets and expenditures for research, education, and health, which contribute to the physical productivity of the economy or help increase the technical skills and knowledge of individuals. Expenditures which yield benefits currently are also grouped in two major categories—one for aids and services to special groups and the other for current operating expenses.

*Comparison with a capital budget.*—This analysis is not a capital budget. A capital budget as prepared by some foreign governments and some State and local governments usually provides separate financing for major capital outlays. The capital outlays may be entirely excluded from the current budgets of these governments or they may be amortized over a period of years by annual charges to the budget. In the Federal budget, however, investment items are shown in the same way as expenditures for other purposes and hence are included in arriving at the budget surplus or deficit.

A capital budget would also require computing and recording annually an allowance for depreciation and obsolescence on existing physical assets, an allowance for anticipated losses on loan programs, a recognition of assets received as gifts or donated to others, and the profits or losses on sales of assets at a figure different from their book value. This analysis makes no provision for such changes in assets. Hence, it does not indicate the extent to which annual new investment in a given year is offset by depreciation and other changes in existing assets.

On the basis of private accounting practices, investment expenditures would be confined to increases in claims or assets owned by the Federal Government. They would, however, cover all such assets, including office equipment and motor vehicles. In this analysis, the category identified as additions to Federal assets is limited to major outlays, such as public works construction and military aircraft and ships. On the other hand, this analysis adopts a broader concept than is employed in private accounting practice for capital items, since Federal expenditures are here viewed in terms of their effect on the economy as a whole; hence, it includes also, as the second major type of investment expenditures, additions to State, local, or private assets and other Federal expenditures, the major objective of which is to help improve the productivity of the Nation.

*Recoverability of certain types of expenditures.*—The greater part of Federal expenditures for loans, for investment in commodity inventories, and for construction of powerplants is ultimately returned to the Treasury. However, Federal expenditures for most other investment-type programs are not generally expected to be recovered

by specific revenues. Developmental expenditures usually increase the wealth and income of the Nation and often indirectly expand Federal tax revenues over a long period of years. Expenditures of certain Government programs are also financed by the appropriation of part or all of the special receipts which are collected from licenses and fees charged for various special services related to these programs.

As in the last two budget documents, this analysis presents expenditures of public enterprise funds on a gross as well as a net basis, in order to indicate the full scope of their operations. The receipt totals indicated in the tables are only those which are deposited in the revolving funds of such enterprises. Receipts paid directly to the Treasury are excluded from this analysis.

*Significant subcategories.*—In addition to the four major categories of expenditures already mentioned, this analysis shows separately the expenditures for major national security programs (as defined in special analysis C) and civil programs. Since major national security expenditures represent a large proportion of total budget outlays, such a distinction helps in appraising the significance of outlays within each of the major categories of this analysis. For example, military expenditures for fixed assets and other developmental purposes are not usually intended to achieve the same objectives as civil outlays for assets.

Separate subcategories are also shown for expenditures for direct Federal programs, grants-in-aid or loans to State and local governments, and payments to trust funds. Special analysis H gives details on Federal aid to State and local governments and contains a table summarizing these aids according to the major categories of this analysis.

## SPECIAL CLASSIFICATION

The 1956 budget contained for the first time a special classification in which budget expenditures were arranged in four general categories (in addition to the reserve for contingencies): (1) Current expenses for civil operations and administration, (2) interest, (3) civil benefits, and (4) protection. This special classification was based on the tables contained in special analysis D. For the 1957 budget, a number of changes have been made in the grouping of individual items in the special classification and this material now appears separately in special analysis E.

## SUMMARY OF SPECIAL ANALYSIS D

Table 1 summarizes expenditures according to the major categories of special analysis D, showing gross and net expenditures, and applicable receipts, for both the major national security and the civil programs. About \$22.3 billion of estimated net budget expenditures for the fiscal year 1957 represent outlays for the acquisition and improvement of assets and for other development purposes. Most of these net outlays, \$17.2 billion, are for major national security programs. Current expenses for aids, services, and operations are estimated at \$43.4 billion, net, for fiscal year 1957. More than half of these net outlays, \$23.1 billion, is also for major national security programs.

The estimated increase of \$1.6 billion in net budget expenditures from 1956 to 1957 reflects primarily:

(1) An increase of \$1,078 million in current operating expenses for major national security programs, mainly for maintenance and operation of military equipment.



TABLE 1.—Summary of investment, operating, and other budget expenditures

[In millions]

	1955 actual			1956 estimate			1957 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
Additions to Federal assets:									
Civil.....	\$12,689	\$8,680	\$4,009	\$11,047	\$8,602	\$2,446	\$10,993	\$8,410	\$2,583
Major national security.....	17,505	448	17,056	15,953	255	15,700	15,685	287	15,398
Expenditures for other developmental purposes:									
Civil.....	1,791	62	1,729	2,074	33	2,041	2,451	19	2,432
Major national security.....	1,655	-----	1,655	1,699	-----	1,699	1,838	-----	1,838
Current expenses for aids and special services:									
Civil.....	10,584	765	9,818	11,956	1,002	10,953	11,947	1,263	10,682
Major national security.....	2,383	49	2,334	2,577	17	2,560	2,563	17	2,546
Other services and current operating expenses:									
Interest.....	6,438	-----	6,438	6,875	-----	6,875	7,066	-----	7,066
Other civil.....	4,590	2,640	1,951	5,163	2,772	2,391	5,395	2,855	2,509
Major national security.....	19,580	(1)	19,580	19,508	(1)	19,508	20,586	(1)	20,586
Reserve for contingencies.....	-----	-----	-----	100	-----	100	225	-----	225
Deduct: Commodity Credit Corporation, collateral acquired <sup>2</sup> .....	2,118	2,118	-----	2,383	2,383	-----	1,835	1,835	-----
Total.....	75,097	10,527	64,570	74,567	10,298	64,270	76,914	11,049	65,865

<sup>1</sup> Less than one-half million.<sup>2</sup> Noncash transaction, included above in budget expenditures (gross) for commodity inventories, and in the applicable receipts which are applied to loans.

(2) An increase of \$531 million in expenditures for military research and development, additions to State and local assets, and other developmental purposes.

(3) An increase of \$191 million in interest payments, mainly on the public debt.

#### ADDITIONS TO FEDERAL ASSETS

Expenditures in this category represent direct investment by the Federal Government in loans and federally owned physical assets. Net expenditures for such additions to assets are estimated to total \$18 billion in the fiscal year 1957, \$162 million below 1956. Over 85 percent of total net expenditures in this category are for major national security programs, mostly for military equipment.

**Loans.**—Direct loans of Federal agencies consist of loans to farmers and homeowners, to public and private agencies serving these two groups, and to private business and foreign governments. The Congress has provided that most loan programs operate on a revolving basis. However, the Rural Electrification Administration and the Farmers' Home Administration and a few other loan programs are by law on a nonrevolving basis, with collections on outstanding loans going directly to miscellaneous receipts of the Treasury. In this analysis, loans made through revolving funds are shown on both a gross and a net basis. Since net expenditures for loans reflect only a fraction of total Government loan activity, gross disbursements and repayments indicate more fully the total loan operations of the Government.

In the fiscal year 1957, gross disbursements for loans are estimated to increase by \$405 million from 1956. Collections, acquisition of collateral, and other receipts from loans are estimated to decrease by \$91 million. As a result, net budget expenditures for loans are estimated to rise by \$495 million from the fiscal year 1956 to 1957.

Net loans to domestic private borrowers in the fiscal year 1957 are estimated to be \$519 million higher than in 1956, mainly as a result of a reduction in repayments to the Commodity Credit Corporation of loans to private borrowers. Other major loan programs show smaller changes in net expenditures from 1956. An analysis of major credit programs of the Federal Government is con-

tained in special analysis F. That analysis shows gross disbursements and repayments for loan programs, including those collections going directly into miscellaneous receipts of the Treasury.

**Public works—sites and direct construction.**—This category includes all Federal expenditures for sites and federally constructed civil public works projects, military installations, and other national security facilities which are owned by the United States, including those outside the continental United States. A summary of these and related programs is given in special analysis G.

Total estimated expenditures for direct Federal public works of \$3.3 billion in 1957 are about the same as in 1956. About 66 percent of these expenditures for 1957 will be direct public works for major national security programs. Expenditures for construction of military and atomic energy facilities are estimated to decline from 1956 to 1957. Civil public works expenditures, mainly for water resources and related developments and veterans' hospitals, are estimated to rise from \$1 billion in 1956 to \$1.1 billion in 1957.

**Major commodity inventories.**—Gross purchases of commodities held for resale or in stockpiles are expected to total \$3.2 billion in the fiscal year 1957, exceeding sales by \$1.4 billion. The figure for total purchases includes transportation costs, administrative expenses, and storage costs where these are normally included in costs of goods sold.

Net expenditures for stockpiling strategic and critical materials (other than fissionable materials) are estimated at \$297 million in the fiscal year 1957. By June 30, 1957, the stockpile inventory is expected to reach an estimated \$6.4 billion (at cost). The inventory of farm commodities held by the Commodity Credit Corporation under its farm price-support program is expected to increase by \$958 million in the fiscal year 1957. The value of the Corporation's inventory of commodities (at cost) as of June 30, 1957, is estimated to total \$6.5 billion.

**Major equipment.**—Expenditures for major equipment are estimated at \$11.8 billion in 1957, a decrease of \$95 million from 1956. These expenditures represent, predominantly, purchases of aircraft, naval vessels, tanks, and other major national security equipment needs, as

TABLE 2.—*Additions to Federal assets*

[In millions]

	1955 actual			1956 estimate			1957 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
Loans:									
Civil.....	\$8,355	\$6,687	\$1,668	\$6,590	\$6,889	* \$299	\$7,054	\$6,696	\$358
Major national security.....	84	40	43	76	69	8	17	171	* 154
Public works—sites and direct construction:									
Civil.....	1,027	3	1,024	1,042	2	1,040	1,147	2	1,144
Major national security.....	2,407		2,407	2,252		2,252	2,190		2,190
Major commodity inventories—net change:									
Civil.....	3,206	1,654	1,552	3,306	1,668	1,639	2,692	1,696	997
Major national security.....	1,245	405	840	755	184	571	543	113	430
Major equipment:									
Civil.....	48		48	45		45	45		45
Major national security.....	13,020	3	13,017	11,857	2	11,856	11,764	3	11,761
Other physical assets—acquisition and improvement:									
Civil.....	53	336	* 283	64	43	21	55	16	39
Major national security.....	749	( <sup>1</sup> )	749	1,013	( <sup>1</sup> )	1,013	1,171		1,171
Total additions to Federal assets.....	30,195	9,129	21,066	27,000	8,857	18,143	26,679	8,698	17,981

\* Deduct, excess of repayments and collections over expenditures.

<sup>1</sup> Less than one-half million.

well as construction of merchant ships. Purchases of office equipment, furniture and fixtures, automobiles, and similar items are classified as current operating expenses.

*Other physical assets—acquisition and improvement.*—Expenditures for other physical assets will rise in 1957, mainly because of increased expenditures of the Atomic Energy Commission for procurement of source materials and production of special nuclear materials and weapons. This subcategory also includes reforestation and range improvements and real property purchased or acquired as collateral on defaulted loans.

Payments of principal under lease-purchase agreements to acquire public buildings are also included in this grouping. Interest payments under these agreements, however, are shown under operation and administration of other civil activities (see special analysis G, page 1138, for discussion of the lease-purchase program).

## EXPENDITURES FOR OTHER DEVELOPMENTAL PURPOSES

This category includes Federal expenditures which add to the productivity of the economy over a period of years but which do not directly add to Federal physical and financial assets. Programs which yield the bulk of their benefits immediately are excluded, even though they may also contribute to the longer run economic development of the Nation.

Expenditures for military research and development account for about two-fifths of the total expenditures in this category in 1957. Higher grants to the States for construction of highways and schools are responsible for most of the increase over 1956.

*State and local physical assets.*—In the fiscal year 1957 the Federal Government will spend an estimated \$1.1 billion for additions to physical assets of State and local governments. These outlays, in the form of grants-in-aid such as the Federal-aid highway program and the proposed program of general school construction assistance, are \$225 million higher than in the preceding year.

These estimates do not reflect the proposed program of increased grants for the interstate highway system which is to be financed so as not to create budget deficits.

*Private physical assets.*—Federal expenditures which directly add to privately owned physical assets consist predominantly of payments for conservation and improvement of private farms, grants to States for the building of private hospitals and other health facilities, and construction subsidies for merchant ships. Expenditures for these programs are estimated to rise by \$68 million over the 1956 level.

*Education, training, and health.*—An estimated \$448 million of net budget expenditures in the fiscal year 1957 will be for developmental purposes in the fields of education, training, and health, an estimated increase of \$26 million over 1956. These programs are intended to foster the knowledge, skills, longevity, and physical vigor of the population. Most of these programs are conducted through grants to State and local governments. Included here are school-operating aid to school districts especially affected by activities of the Federal Government, and grants to States for programs of vocational education,

TABLE 3.—*Expenditures for other developmental purposes*

[In millions]

	Expenditures		
	1955 actual	1956 estimate	1957 estimate
Gross expenditures:			
State and local physical assets.....	\$787	\$911	\$1,136
Private physical assets:			
Civil.....	384	388	441
Major national security.....		( <sup>1</sup> )	1
Education, training, and health:			
Civil.....	334	420	441
Major national security.....	1	2	6
Research and development:			
Civil.....	242	299	365
Major national security.....	1,654	1,697	1,831
Engineering and natural resources surveys.....	44	56	68
Total.....	3,446	3,772	4,289
Deduct applicable receipts:			
Private physical assets (civil).....	62	32	18
Education, training, and health (civil).....	( <sup>1</sup> )	( <sup>1</sup> )	( <sup>1</sup> )
Total applicable receipts.....	62	33	19
Net expenditures for other developmental purposes.....	3,384	3,739	4,270

<sup>1</sup> Less than one-half million.



TABLE 4.—*Current expenses for aids and special services*

[In millions]

	1955 actual			1956 estimate			1957 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
Agriculture.....	\$1, 185	\$111	\$1, 074	\$1, 995	\$277	\$1, 718	\$2, 149	\$540	\$1, 609
Business:									
Civil.....	874	132	741	1, 027	115	912	640	94	546
Major national security.....	65	49	16	86	17	69	48	17	31
Labor.....	269		269	329		329	351		351
Homeowners and tenants.....	270	375	* 105	308	373	* 65	346	366	* 20
Veterans.....	4, 429	54	4, 375	4, 764	63	4, 701	4, 837	75	4, 762
International:									
Civil.....	1, 949	93	1, 856	1, 852	174	1, 677	1, 931	188	1, 741
Major national security.....	2, 318		2, 318	2, 491		2, 491	2, 515		2, 515
Other aids and special services.....	1, 608	( <sup>1</sup> )	1, 608	1, 681	( <sup>1</sup> )	1, 681	1, 693	( <sup>1</sup> )	1, 693
Total current expenses for aids and special services.....	12, 967	814	12, 151	14, 533	1, 018	13, 514	14, 509	1, 280	13, 229

\* Deduct, excess of repayments and collections over expenditures.

<sup>1</sup> Less than one-half million.

vocational rehabilitation, maternal and child welfare, public health, and agricultural extension work. Closely related are several major items classified in other categories—principally the veterans' education program, which is classified as aids and special services for veterans; the operating expenses of hospital services and medical care programs; and the training of military personnel or other persons in Government service.

*Research and development.*—The Federal Government also contributes to technological and economic progress through the conduct of varied programs of research and development. Net expenditures for such programs in the fiscal year 1957 are estimated at \$2.2 billion, \$200 million above 1956. Over 80 percent of this total is for major national security research and development, including the work of the Department of Defense and the Atomic Energy Commission.

Definitions of research and development, in this analysis, are those used in special analysis I, and agree generally with those used by the National Science Foundation for its analyses of Federal Government activities in this general area.

*Engineering and natural resource surveys.*—An estimated \$68 million of net budget expenditures in the fiscal year 1957 will be for investigations and surveys for public works programs, topographic mapping, land classification, forest investigations, and other basic surveys. The largest programs of this type are administered by the Geological Survey, the Bureau of Reclamation, and the Coast and Geodetic Survey.

#### CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES

This category covers current expenditures for programs which primarily provide aids or special services to one or more specific groups. The preceding categories include investment-type expenditures which provide substantial benefits to various economic groups, such as loans, public works, and research programs. However, this category contains the administrative and other operating expenses and operating receipts arising from loan programs and from investments in physical assets which benefit specific groups, as well as maintenance costs of any physical assets providing aids and special services. Some of these economic groups also receive benefits from special Federal tax provisions and other nonexpenditure aids, which are not included in this analysis. Approximately 80 percent of

expenditures for aids and special services are for civil programs, which are estimated at \$10.7 billion, net, for the fiscal year 1957, \$270 million below the fiscal year 1956.

*Agriculture.*—Current expenses predominantly for the benefit of farmers consist chiefly of losses realized on the price-support program, expenses of the International Wheat Agreement, Sugar Act payments, expenditures for removal of surplus commodities, and administrative expenses of loan programs and other aids to farmers. This category also includes the President's proposal for the soil bank and related aids to farmers. Other major expenditures benefiting farmers which are classified elsewhere in this analysis are provided through loans, conservation payments, and construction of reclamation and other water development projects. Farmers also benefit indirectly from the school lunch, international, and other programs which are intended primarily for other purposes.

In the fiscal year 1957, current expenses for programs in this category directly benefiting farmers are estimated at \$1.6 billion, net, \$109 million below 1956.

*Business.*—The major types of current Federal expenditures primarily benefiting private business are the Government payment to the Post Office to pay the losses arising primarily from second-, third-, and fourth-class mail; maritime operating subsidies and navigation and other aids to the shipping industry; and various aids to air navigation. Largely as a result of the proposed increase in postal rates, net expenditures for these purposes in the fiscal year 1957 are expected to decline to \$577 million, \$404 million below 1956.

*Labor.*—The largest current Federal expenditure benefiting labor is for the Federal-State program of unemployment insurance and public employment offices, in which the Federal Department of Labor makes grants to the States to cover the full cost of administering these services. This program also benefits employers by recruiting workers to fill job vacancies. Also in this category are the mine safety work of the Bureau of Mines and some administrative expenses of the Department of Labor. These expenditures for the fiscal year 1957 totaling \$351 million represent an increase of \$22 million over the preceding year.

*Homeowners and tenants.*—Since loans for the benefit of homeowners and tenants are classified in this analysis as investment-type expenditures, current expenditures consist chiefly of grants to local authorities to cover deficits from low-rent public housing projects and the capital



losses of slum clearance and urban renewal projects and the operating expense of the management and liquidation functions of the Federal National Mortgage Association. Receipts from the insurance of mortgages and saving and loan share accounts and the earnings from holdings of mortgages and other housing loans exceed current gross expenditures for housing in all 3 years shown in the budget.

*Veterans.*—Current net expenditures for aids to veterans in the fiscal year 1957 are estimated at \$4.8 billion, \$61 million above 1956. Compensation and pension benefits account for more than half of the estimated 1957 total in this subcategory. The monthly compensation payments are to veterans with service-connected disabilities and to the families of deceased veterans. Pensions are paid in non-service-connected cases.

Other important current aids to veterans are hospital and medical care for veterans of all wars and readjustment benefits for those who served in World War II and the Korean conflict. Included are outlays for education and training of veterans who enroll in schools and colleges, or vocational training on the job or farm; losses under the loan-guaranty programs; and veterans' unemployment allowances.

*International.*—In the fiscal year 1957, \$2.5 billion or almost three-fifths of total expenditures in this subcategory are for the military part of the Mutual Security Program. These expenditures will furnish military equipment and training to friendly nations. Nonmilitary parts of the mutual security expenditures are primarily to strengthen the economies of our allies so that they can support larger military forces and to help the free nations achieve the economic growth necessary to maintain peace and stable institutions.

*Other aids and special services.*—Many other Federal programs involve current expenditures for aids and special services providing major benefits for more than one of the above groups or for other groups. The bulk of such expenditures is grants to help provide public assistance to those in need, including the aged, the blind, the permanently and totally disabled, and dependent children. Other major programs include grants to States to help finance low-priced school lunches, hospital operation and medical care by the Public Health Service, and various aids to Indians. These expenditures in the fiscal year 1957 are expected to total \$1.7 billion, about the same as in 1956.

#### OTHER SERVICES AND CURRENT OPERATING EXPENSES

All other expenditures for Government services or for current operations are included in this major category. In the main, the activities are the basic Government operations of maintaining a military establishment, conducting foreign affairs, making or enforcing laws, collecting taxes, managing and paying interest on the public debt, sharing the retirement costs of civilian employees, and operating the postal service.

Current expenditures for major national security, mostly for operation and maintenance of military facilities and for pay and subsistence of military personnel, dominate this category. The largest component of civil

expenditures is for interest. All other current civil expenses in 1957 will total about \$2.5 billion, an increase of \$119 million above 1956.

*Repair, maintenance, and operation of physical assets excluding special services.*—Expenditures to repair, maintain, and operate physical assets are chiefly for atomic energy facilities; military structures, equipment, and facilities; and general-purpose public buildings. They also pay for operating certain other public assets such as flood-control reservoirs, irrigation works, power facilities, public lands, and national forests.

Net expenditures for civil repair, maintenance, and operation are estimated at \$259 million in the fiscal year 1957, \$15 million below fiscal year 1956. Outlays for the operation and maintenance of structures, equipment, and facilities for major national security programs are estimated at \$9.1 billion, an increase of \$746 million from the 1956 level.

*Regulation and control.*—Most of the major departments and agencies and many smaller agencies have regulatory or law-enforcement responsibilities. These include the normal law-enforcement activities of the Department of Justice, the Treasury, and the judiciary, as well as the operations of the independent regulatory agencies. Expenditures for regulation and control are estimated to total \$577 million in 1957, \$13 million higher than in 1956.

*Operation and maintenance of the postal system.*—Since the postal deficit is included under current expenses for aids and special services, this category includes the remaining gross expenditures and the receipts of the Post Office, which are equal in magnitude and therefore cancel out on a net basis. Gross expenditures and receipts in this subcategory for the fiscal year 1957 are estimated at \$2.5 billion.

*Operation and administration of other civil activities.*—All other governmentwide or multiple-purpose expenditures for civil programs will increase from \$1.6 billion in 1956 to \$1.7 billion in 1957. These consist of expenditures for the legislative branch and the conduct of foreign affairs; tax collection, public debt administration, and other financing activities; central procurement, record-keeping, payment of claims, and various other direct Federal programs not elsewhere classified. The major increases in this subcategory over the 1956 level occur in the recommended Government payment—as employer—for Federal civilian employees' retirement, in the overseas information activities of the United States Information Agency, and in the Department of State.

*Other major national security operation and administration.*—Expenditures in this category are estimated to rise from the 1956 level of \$11.1 billion to \$11.4 billion in the fiscal year 1957. They represent predominantly pay and subsistence for military personnel together with smaller but substantial expenditures for civilian components, industrial mobilization, and various departmentwide activities of the Department of Defense.

*Interest.*—These expenditures include interest on the public debt and smaller amounts of interest on refunds of receipts and on uninvested funds. Principally because of the higher interest rates now prevailing, expenditures for interest are estimated to be \$191 million higher in the fiscal year 1957 than in 1956.



TABLE 5.—Other services and current operating expenses

[In millions]

	1955 actual			1956 estimate			1957 estimate		
	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures	Gross expenditures	Applicable receipts	Net expenditures
Repair, maintenance, and operation of physical assets:									
Civil.....	\$510	\$261	\$249	\$583	\$309	\$274	\$580	\$220	\$259
Major national security.....	7,949		7,949	8,394		8,394	9,140		9,140
Regulation and control.....	508	2	507	566	2	564	579	2	577
Operation and maintenance of the postal system (excluding the postal deficit).....	2,340	2,340		2,422	2,422		2,524	2,524	
Operation and administration of other civil activities.....	1,232	37	1,195	1,592	39	1,553	1,712	39	1,673
Other major national security operation and administration.....	11,631	( <sup>1</sup> )	11,631	11,114	( <sup>1</sup> )	11,114	11,446	( <sup>1</sup> )	11,446
Interest.....	6,438		6,438	6,875		6,875	7,066		7,066
Total other services and current operating expenses.....	30,609	2,640	27,969	31,546	2,772	28,774	33,047	2,887	30,161

<sup>1</sup> Less than one-half million.

## SPECIAL ANALYSIS D—Continued

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

Based on existing and proposed legislation

[In millions]

	1955			1956			1957		
	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)
<b>ADDITIONS TO FEDERAL ASSETS</b>									
<b>Loans:</b>									
<b>Civil:</b>									
To domestic private borrowers:									
Independent offices:									
Farm Credit Administration.....	\$1,920	\$1,873	\$47	\$1,988	\$1,941	\$47	\$2,086	\$2,054	\$32
Small Business Administration.....	25	7	18	54	11	43	30	18	12
Veterans Administration.....	146	46	100	151	46	105	169	50	119
Housing and Home Finance Agency:									
Federal National Mortgage Association.....	539	343	196	114	179	• 65	77	308	• 231
College housing loans.....	24	(b)	24	24	1	23	33	1	32
Federal Housing Administration.....	49	10	39	58	15	43	45	20	25
Other.....	1	6	• 5		11	• 11		11	• 11
Department of Agriculture:									
Commodity Credit Corporation:									
Price support and grain storage loans.....	3,044	2,493	551	2,208	2,841	• 633	2,181	2,365	• 183
Certificates of interest transactions.....	1,410	1,169	241	538	800	• 262	800	800	
Farmers' Home Administration.....	236	73	163	232	84	148	236	72	164
Rural Electrification Administration.....	197		197	215		215	230		230
Treasury Department:									
Federal Facilities Corporation.....	20		20	4	1	3		1	• 1
Reconstruction Finance Corporation.....	10	50	• 40		148	• 148		14	• 14
Civil defense loans.....	(b)	(b)		(b)	1	• 1	(b)	(b)	(b)
Other agencies.....	1	8	• 7	7	7		11	5	6
Total to domestic private borrowers, civil.....	7,621	6,078	1,543	5,592	6,086	• 494	5,899	5,719	180
To State and local governments:									
For public works:									
Housing and Home Finance Agency:									
Public housing.....	215	313	• 98	414	404	10	473	463	10
Other.....	9	2	7	14	2	12	41	2	39
Loans to the District of Columbia government.....				3		3	8		8
Other agencies.....	6		6	11		11	12		12
For other than public works:									
Federal Civil Defense Administration.....	28	27	1	3	3		3	3	
Housing and Home Finance Agency: Slum clearance and urban renewal.....	30	25	5	37	24	13	44	35	9
Total to State and local governments, civil.....	288	368	• 80	483	433	49	581	504	77
To foreign borrowers:									
Funds appropriated to the President: Other mutual security programs.....	151		151	131		131	138		138
Export-Import Bank of Washington.....	201	241	• 40	247	270	• 23	260	296	• 36
Treasury: International Finance Corporation.....				35		35			
Total to foreign borrowers, civil.....	353	241	112	413	270	143	398	296	102
To quasi-public institutions:									
Housing and Home Finance Agency: Federal National Mortgage Association: Investment in secondary market operations fund.....	93		93	102	100	2	176	175	1
Other.....								2	• 2
Total loans, civil.....	8,355	6,687	1,668	6,590	6,889	• 299	7,054	6,696	358
<b>Major national security:</b>									
To domestic private borrowers: Funds appropriated to the President: Expansion of defense production.....	70	40	30	56	67	• 11	2	168	• 166

• Deduct, excess of repayments and collections over expenditures.

b Less than one-half million dollars.



## SPECIAL ANALYSIS D—Continued

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1955			1956			1957		
	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)
<b>ADDITIONS TO FEDERAL ASSETS—Continued</b>									
<b>Loans—Continued</b>									
Major national security—Continued									
To foreign borrowers:									
Funds appropriated to the President:									
Expansion of defense production.....	\$9	(b)	\$9	\$12	\$1	\$11	\$11	\$3	\$8
Mutual security: Military assistance.....	4		4	8		8	5		5
Total to foreign borrowers, major national security.....	14	(b)	13	20	1	19	15	3	12
Total loans, major national security.....	84	\$40	43	76	69	8	17	171	• 154
Total loans.....	8,439	6,727	1,712	6,666	6,958	• 292	7,071	6,867	203
<b>Public works—sites and direct construction:</b>									
Civil:									
Research and development plant:									
National Advisory Committee for Aeronautics.....	22		22	12		12	11		11
Other.....	8		8	12		12	7		7
Total, research and development plant.....	30		30	24		24	18		18
Other than research and development plant:									
Legislative branch: Architect of the Capitol.....	2		2	18		18	42		42
Independent offices:									
Central Intelligence Agency.....				1		1	15		15
Saint Lawrence Seaway Development Corporation.....	3		3	13		13	42		42
Tennessee Valley Authority.....	220	3	217	109	2	107	66	2	64
Veterans Administration.....	29		29	36		36	55		55
United States Information Agency.....	1		1	(b)		(b)	(b)		(b)
General Services Administration.....	11		11	23		23	38		38
Department of Agriculture.....	48		48	56	(b)	56	59		59
Department of Commerce.....	45		45	48		48	47		47
Department of Defense—Civil Functions:									
Flood control and beach erosion control.....	102		102	161		161	178		178
Navigation.....	50		50	74		74	106		106
Multipurpose projects.....	241		241	189		189	164		164
Other.....	6		6	9		9	6		6
Department of Health, Education, and Welfare.....	10		10	15		15	18		18
Department of the Interior:									
Bureau of Reclamation.....	128		128	135		135	157		157
Power transmission agencies.....	34		34	28		28	25		25
Other.....	51		51	83		83	87		87
Department of State.....	5		5	9		9	11		11
Other agencies.....	11		11	11		11	13		13
Total other than research and development plant.....	997	3	994	1,018	2	1,016	1,128	2	1,126
Total civil public works.....	1,027	3	1,024	1,042	2	1,040	1,147	2	1,144
<b>Major national security:</b>									
Research and development plant:									
Atomic Energy Commission.....	24		24	68		68	119		119
Department of Defense—Military Functions.....	111		111	125		125	150		150
Total research and development plant.....	134		134	193		193	269		269
Other than research and development plant:									
Funds appropriated to the President: Expansion of defense production.....	7		7	20		20	19		19
Atomic Energy Commission.....	763		763	242		242	182		182
General Services Administration: Stockpiling of strategic and critical materials.....	1		1						

• Deduct, excess of repayments and collections over expenditures.

b Less than one-half million dollars.

## SPECIAL ANALYSIS D—Continued

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1955			1956			1957		
	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)
<b>ADDITIONS TO FEDERAL ASSETS—Continued</b>									
<b>Public works—sites and direct construction—Continued</b>									
Major national security—Continued									
Other than research and development plant—Continued									
Department of Defense—Military Functions:									
Military public works (excluding infrastructure).....	\$1,442		\$1,442	\$1,739		\$1,739	\$1,647		\$1,647
Reserve components.....	59		59	58		58	73		73
Departmentwide activities.....	1		1	(b)		(b)	(b)		(b)
Total other than research and development plant.....	2,273		2,273	2,060		2,060	1,921		1,921
Total major national security public works.....	2,407		2,407	2,252		2,252	2,190		2,190
Total public works—sites and direct construction.....	3,435	\$3	3,431	3,294	\$2	3,292	3,337	\$2	3,335
<b>Major commodity inventories:</b>									
Civil:									
Federal Civil Defense Administration: Emergency supplies and equipment.....	22		22	29		29	43		43
Department of Agriculture: Commodity Credit Corporation: Agricultural commodities.....	2,935	1,250	1,686	3,237	1,606	1,631	2,649	1,691	959
Treasury Department: Federal Facilities Corporation.....	249	402	• 153	41	58	• 17		1	• 1
Other agencies.....		3	• 3		4	• 4		4	• 4
Total major commodity inventories, civil.....	3,206	1,654	1,552	3,306	1,668	1,639	2,692	1,696	997
Major national security:									
Funds appropriated to the President: Expansion of defense production.....	483	405	78	320	184	136	246	113	133
General Services Administration: Stockpiling of strategic and critical materials.....	762		762	435		435	297		297
Total major commodity inventories, major national security.....	1,245	405	840	755	184	571	543	113	430
Total major commodity inventories.....	4,451	2,059	2,392	4,061	1,852	2,210	3,235	1,809	1,426
<b>Major equipment:</b>									
Civil:									
Research and development plant:									
National Advisory Committee for Aeronautics.....	8		8	8		8	9		9
Other.....	2		2	3		3	8		8
Other than research and development plant:									
Department of Commerce:									
Merchant ships.....	24		24	12		12	10		10
Other.....	(b)		(b)	2		2	6		6
Treasury Department.....	15		15	13		13	7		7
Other agencies.....				7		7	5		5
Total major equipment, civil.....	48		48	45		45	45		45
Major national security:									
Research and development plant: Atomic Energy Commission.....	13		13	16		16	18		18
Other than research and development plant:									
Funds appropriated to the President: Expansion of defense production.....	1	3	• 2	5	2	3	14	3	11
Atomic Energy Commission.....	10		10	12		12	15		15
Department of Defense—Military Functions:									
Aircraft.....	8,037		8,037	6,880		6,880	6,751		6,751
Ships.....	1,009		1,009	955		955	1,032		1,032
Guided missiles.....	631		631	918		918	1,276		1,276
Other.....	3,319		3,319	3,070		3,070	2,659		2,659
Total major equipment, major national security.....	13,020	3	13,017	11,857	2	11,856	11,764	3	11,761
Total major equipment.....	13,068	3	13,065	11,902	2	11,901	11,809	3	11,806

• Deduct, excess of repayments and collections over expenditures.

b Less than one-half million dollars.



## SPECIAL ANALYSIS D—Continued

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1955			1956			1957		
	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)
<b>ADDITIONS TO FEDERAL ASSETS—Continued</b>									
<b>Other physical assets—acquisition and improvement:</b>									
<b>Civil:</b>									
Installment purchase of real property: General Services Administration.....							(b)		(b)
Other than installment purchase of real property:									
Housing and Home Finance Agency.....	\$40	\$70	• \$30	\$46	\$24	\$22	\$33	\$11	\$22
Department of the Interior.....	9		9	12		12	13		13
Treasury Department.....	(b)	266	• 266	(b)	18	• 18		4	• 4
Other agencies.....	4	(b)	4	6	1	5	9	1	8
Total other physical assets, civil.....	53	336	• 283	64	43	21	55	16	39
<b>Major national security:</b>									
Other than installment purchase of real property:									
Atomic Energy Commission.....	749		749	1,012		1,012	1,171		1,171
Other.....	(b)	(b)	(b)	1	(b)	1	(b)		(b)
Total, major national security.....	749	(b)	749	1,013	(b)	1,013	1,171		1,171
Total other physical assets—acquisition and improvement.....	802	336	466	1,077	43	1,034	1,226	16	1,210
Total additions to Federal assets.....	30,195	9,129	21,066	27,000	8,857	18,143	26,679	8,698	17,981
<b>EXPENDITURES FOR OTHER DEVELOPMENTAL PURPOSES</b>									
<b>State and local physical assets:</b>									
<b>Grants-in-aid:</b>									
<b>For public works:</b>									
Federal Civil Defense Administration.....				1		1	2		2
Department of Agriculture: Flood prevention and watershed protection.....	10		10	16		16	19		19
Department of Commerce:									
Roads.....	585		585	729		729	787		787
Airports.....	8		8	22		22	50		50
Department of Health, Education, and Welfare:									
School construction.....	121		121	85		85	206		206
Hospital construction.....	33		33	29		29	37		37
Other.....	1		1						
Department of the Interior.....	7		7	7		7	11		11
Federal payment to the District of Columbia.....	7		7	7		7	7		7
Other agencies.....	4		4	1		1	5		5
Total for public works.....	776		776	897		897	1,124		1,124
<b>For other than public works:</b>									
Federal Civil Defense Administration.....	10		10	14		14	11		11
Other agencies.....	(b)		(b)						
Total for other than public works.....	11		11	14		14	11		11
Total State and local physical assets (grants-in-aid).....	787		787	911		911	1,136		1,136
<b>Private physical assets:</b>									
<b>Civil:</b>									
<b>Direct Federal programs:</b>									
Research and development plant: National Science Foundation.....	(b)		(b)	(b)		(b)	6		6
Other than research and development plant:									
Department of Agriculture:									
Agricultural conservation assistance.....	231		231	220		220	220		220
Soil Conservation Service.....	60		60	62		62	64		64
Commodity Credit Corporation: Loans to Secretary for agricultural conservation assistance.....	43	62	• 19	43	32	11	43	18	25
Department of Commerce: Merchant ships.....	5		5	20		20	50		50
Other.....	3		3	6		6	7		7
Total direct Federal programs.....	342	62	280	352	32	320	389	18	371

• Deduct, excess of repayments and collections over expenditures.

b Less than one-half million dollars.

## SPECIAL ANALYSIS D—Continued

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1955			1956			1957		
	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)
<b>EXPENDITURES FOR OTHER DEVELOPMENTAL PURPOSES—Continued</b>									
<b>Private physical assets—Continued</b>									
Civil—Continued									
Grants-in-aid:									
Research and development plant							\$5		\$5
Other than research and development plant:									
Department of Health, Education, and Welfare:									
Private hospital construction	\$40		\$40	\$35		\$35	45		45
General Services Administration: Hospitals	1		1	1		1	2		2
Other agencies	1		1						
Total grants-in-aid	42		42	36		36	51		51
Total private physical assets, civil	384	\$62	322	388	\$32	356	441	\$18	423
Major national security: Research and development plant:									
Funds appropriated to the President				(b)		(b)	1		1
Total private physical assets	384	62	322	388	32	356	441	18	423
<b>Education, training, and health:</b>									
Direct Federal civil programs:									
Department of Health, Education, and Welfare	35	(b)	35	77	(b)	77	87	(b)	87
Department of the Interior	55		55	38		38	42		42
Other agencies	11		11	13		13	16		16
Total direct Federal civil programs	100	(b)	100	128	(b)	128	145	(b)	145
Grants-in-aid:									
Department of Agriculture	39		39	45		45	48		48
Department of Health, Education, and Welfare:									
School operation	82		82	80		80	73		73
Other education and training	36		36	39		39	39		39
Health and child care	76		76	129		129	136		136
Total grants-in-aid	234		234	292		292	296		296
Major national security: Atomic Energy Commission	1		1	2		2	6		6
Total education, training, and health	336	(b)	336	422	(b)	422	449	(b)	448
<b>Research and development:</b>									
Direct Federal civil programs:									
Independent offices:									
Federal Civil Defense Administration	1		1	1		1	2		2
National Advisory Committee for Aeronautics	43		43	50		50	55		55
National Science Foundation	8		8	17	(b)	17	29		29
United States Information Agency	2		2	2		2	1		1
Department of Agriculture	48		48	55		55	69		69
Department of Commerce	8		8	19		19	22		22
Department of Health, Education, and Welfare	69		69	83		83	106		106
Department of the Interior	28		28	31		31	35		35
Other	14		14	13		13	14		14
Total direct Federal civil programs	221		221	271	(b)	271	333		333
Grants-in-aid:									
Department of Agriculture	20		20	26		26	29		29
Other agencies	1		1	2		2	3		3
Total grants-in-aid	21		21	28		28	32		32
Major national security:									
Atomic Energy Commission	253		253	320		320	395		395
Department of Defense—Military Functions	1,397		1,397	1,370		1,370	1,430		1,430
Other agencies	4		4	7		7	7		7
Total major national security	1,654		1,654	1,697		1,697	1,831		1,831
Total research and development	1,895		1,895	1,996	(b)	1,996	2,196		2,196

\* Less than one-half million dollars.



## SPECIAL ANALYSIS D—Continued

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1955			1956			1957		
	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)
<b>EXPENDITURES FOR OTHER DEVELOPMENTAL PURPOSES—Continued</b>									
<b>Engineering and natural resource surveys:</b>									
Direct Federal programs:									
Federal Civil Defense Administration.....				\$3		\$3	\$8		\$8
Department of Commerce.....	\$11		\$11	10		10	11		11
Department of the Interior.....	27		27	29		29	32		32
Other agencies.....	6		6	11		11	13		13
Total direct Federal programs.....	44		44	53		53	64		64
Grants-in-aid.....	(b)		(b)	2		2	3		3
Total engineering and natural resource surveys.....	44		44	56		56	68		68
<b>Total expenditures for other developmental purposes.....</b>	<b>3, 446</b>	<b>\$62</b>	<b>3, 384</b>	<b>3, 772</b>	<b>\$33</b>	<b>3, 739</b>	<b>4, 289</b>	<b>\$19</b>	<b>4, 270</b>
<b>CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES</b>									
<b>Agriculture:</b>									
Direct Federal programs:									
Farm Credit Administration.....	31	21	10	24	25	• 1	25	27	• 2
Department of Agriculture:									
Commodity Credit Corporation:									
International Wheat Agreement.....	100		100	87	57	30	2	101	• 99
Emergency feed.....		(b)	(b)		42	• 42			
Sales for foreign currency.....	130		130	738	10	728	556	92	464
Price support and other.....	521	49	472	496	103	393	480	285	195
Sugar Act.....	70		70	60		60	66		66
Other.....	127	40	87	254	33	221	741	33	708
Department of Commerce.....	14		14	5		5	1		1
Other agencies.....	4	1	3	5	1	4	5	2	3
Total direct Federal programs.....	994	111	886	1, 668	272	1, 397	1, 876	540	1, 337
Grants-in-aid: Department of Agriculture:									
Commodity Credit Corporation: School milk funds and surplus commodities.....	135		135	117	5	112	15		15
Removal of surplus agricultural commodities.....	43		43	200		200	247		247
Other.....	9		9	10		10	10		10
Total grants-in-aid.....	187		187	327	5	322	273		273
<b>Total agriculture.....</b>	<b>1, 185</b>	<b>111</b>	<b>1, 074</b>	<b>1, 995</b>	<b>277</b>	<b>1, 718</b>	<b>2, 149</b>	<b>540</b>	<b>1, 609</b>
<b>Business:</b>									
Direct Federal civil programs:									
Department of Commerce:									
Air navigation aids.....	86		86	95		95	110		110
Payments to air carriers.....	58		58	41		41	34		34
Maritime activities: Ship operating subsidies and administration.....	121		121	116		116	130		130
Other.....	44	1	43	83	1	82	53	1	52
Department of Defense—Civil Functions:									
Corps of Engineers: Maintenance and operation of river and harbor works.....	67		67	66		66	64		64
Panama Canal Company.....	81	90	• 8	80	85	• 5	72	80	• 8
Other.....	6	4	2	1	3	• 2		2	• 2
Post Office Department: Deficit, excluding Government mail and nonbusiness services.....	346		346	473		473	105		105
Treasury Department:									
Coast Guard: Navigation aids.....	43		43	51		51	53		53
Federal Facilities Corporation.....	8	15	• 7	2	1	1	3		3
Reconstruction Finance Corporation.....	5	20	• 15	10	22	• 12	2	6	• 4
Other agencies.....	8	3	5	11	3	8	12	5	7
Total direct Federal civil programs.....	874	132	741	1, 027	115	912	639	94	545
Grants-in-aid: Department of Commerce.....							1		1

• Deduct, excess of repayments and collections over expenditures.

• Less than one-half million dollars.

## SPECIAL ANALYSIS D—Continued

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1955			1956			1957		
	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)
<b>CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES—Continued</b>									
<b>Business—Continued</b>									
Major national security:									
Funds appropriated to the President: Expansion of defense production, administrative expenses and losses on transactions.....	\$65	\$49	\$16	\$86	\$17	\$69	\$48	\$17	\$31
Total business.....	939	181	757	1,113	131	981	688	111	577
<b>Labor:</b>									
Direct Federal programs:									
Treasury Department: Payment to unemployment trust fund.....	64		64	87		87	49		49
Labor Department.....	8		8	9		9	10		10
Interior Department.....	5		5	5		5	5		5
Total direct Federal programs.....	77		77	101		101	64		64
Grants-in-aid:									
Department of Labor:									
Administration of unemployment compensation and employment services.....	192		192	228		228	253		253
Other.....							2		2
Treasury Department: Payment to unemployment trust fund.....							32		32
Total grants-in-aid.....	192		192	228		228	287		287
Total labor.....	269		269	329		329	351		351
<b>Homeowners and tenants:</b>									
Direct Federal programs:									
Independent offices: Federal Home Loan Bank Board.....	4	29	• 25	5	35	• 30	6	40	• 34
Housing and Home Finance Agency:									
Federal National Mortgage Association.....	67	119	• 52	74	126	• 52	77	102	• 25
Federal Housing Administration.....	54	172	• 118	54	164	• 110	58	180	• 122
Other.....	45	55	• 10	40	49	• 9	42	45	• 3
Other agencies.....	(b)		(b)	(b)		(b)	2		2
Total direct Federal programs.....	170	375	• 205	174	373	• 199	186	366	• 180
Grants-in-aid:									
Housing and Home Finance Agency:									
Public housing.....	67		67	84		84	96		96
Slum clearance and urban renewal.....	34		34	50		50	64		64
Total grants-in-aid.....	100		100	135		135	160		160
Total homeowners and tenants.....	270	375	• 105	308	373	• 65	346	366	• 20
<b>Veterans:</b>									
Direct Federal programs:									
Veterans Administration:									
Readjustment benefits.....	680		680	739		739	738		738
Compensation and pensions.....	2,681		2,681	2,818		2,818	2,937		2,937
Hospital and medical care.....	680		680	745		745	746		746
Other.....	239	54	185	252	63	189	257	75	182
Department of Labor:									
Unemployment compensation for veterans.....	106		106	115		115	118		118
Other.....	(b)		(b)			(b)	(b)		(b)
Other agencies.....	5		5	5		5	6		6
Total direct Federal programs.....	4,392	54	4,338	4,674	63	4,611	4,802	75	4,727
Payments to trust funds:									
Railroad Retirement Board: Military service credits.....							2		2
Veterans Administration: Life insurance funds.....	29		29	82		82	25		25
Total payments to trust funds.....	29		29	82		82	27		27
Grants-in-aid: Veterans Administration.....	8		8	8		8	8		8
Total veterans.....	4,429	54	4,375	4,764	63	4,701	4,837	75	4,762

• Deduct, excess of repayments and collections over expenditures.    • Less than one-half million dollars.



## SPECIAL ANALYSIS D—Continued

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1955			1956			1957		
	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)
<b>CURRENT EXPENSES FOR AIDS AND SPECIAL SERVICES—Continued</b>									
<b>International:</b>									
Civil:									
Funds appropriated to the President:									
Other mutual security programs.....	\$1,780	\$4	\$1,776	\$1,598	\$4	\$1,594	\$1,658	\$4	\$1,654
Other.....	7		7	14		14	11		11
Independent offices:									
Export-Import Bank.....	27	89	62	30	91	61	31	95	64
Department of Agriculture:									
Commodity Stabilization Service: Reimbursements to Commodity Credit Corporation.....				79		79	89		89
Commodity Credit Corporation:									
Assistance to Pakistan.....	1		1		69	69			
Emergency assistance to friendly peoples.....	91		91	107	10	97	103	89	14
Department of Commerce.....	2		2	13		13	30		30
Department of Defense—Civil Functions:									
Civilian relief in Korea.....	29		29	(b)		(b)			
Government and relief in occupied areas.....	3		3	3		3	2		2
Other agencies.....	9		9	8		8	7		7
Total civil.....	1,949	93	1,856	1,852	174	1,677	1,931	188	1,741
Major national security:									
Funds appropriated to the President: Mutual security:									
Military assistance.....	2,268		2,268	2,310		2,310	2,245		2,245
Direct forces support.....	19		19	146		146	250		250
Department of Defense—Military Functions: Infrastructure.....	30		30	35		35	20		20
Total major national security.....	2,318		2,318	2,491		2,491	2,515		2,515
Total international.....	4,267	93	4,174	4,343	174	4,169	4,446	188	4,258
<b>Other aids and special services:</b>									
Direct Federal programs:									
Department of Health, Education, and Welfare.....	47		47	52		52	53		53
Department of the Interior.....	21		21	23		23	26		26
Post Office Department.....	10		10	10		10	10		10
Other agencies.....	11	(b)	11	11	(b)	11	38	(b)	38
Total direct Federal programs.....	89	(b)	89	96	(b)	96	127	(b)	127
Grants-in-aid:									
Funds appropriated to the President: Disaster relief.....	9		9	14		14	5		5
Department of Agriculture: School lunch program.....	83		83	83		83	83		83
Department of Health, Education, and Welfare: Public assistance.....	1,427		1,427	1,488		1,488	1,478		1,478
Total grants-in-aid.....	1,519		1,519	1,585		1,585	1,566		1,566
Total other aids and special services.....	1,608	(b)	1,608	1,681	(b)	1,681	1,693	(b)	1,693
Total current expenses for aids and special services.....	12,967	814	12,151	14,533	1,018	13,514	14,509	1,280	13,229
<b>OTHER SERVICES AND CURRENT OPERATING EXPENSES</b>									
<b>Repair, maintenance, and operation of physical assets (excluding special services):</b>									
Civil:									
Tennessee Valley Authority.....	157	211	54	169	246	77	154	255	101
General Services Administration.....	124	1	123	128	(b)	128	141	(b)	141
Department of Agriculture: Forest Service.....	52		52	66		66	63		63
Department of Commerce.....	32	19	13	57	33	24	48	31	17
Department of Defense—Civil Functions.....	31		31	36		36	34		34
Department of the Interior.....	101	30	71	112	28	84	124	27	97
Other agencies.....	13		13	15	2	13	16	7	9
Total civil.....	510	261	249	583	309	274	580	320	259

\* Deduct, excess of repayments and collections over expenditures.    b Less than one-half million dollars.

## SPECIAL ANALYSIS D—Continued

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1955			1956			1957		
	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)
<b>OTHER SERVICES AND CURRENT OPERATING EXPENSES—Continued</b>									
<b>Repair, maintenance, and operation of physical assets—Con.</b>									
Major national security:									
Atomic Energy Commission.....	\$44		\$44	\$43		\$43	\$40		\$40
Department of Defense—Military Functions.....	7,905		7,905	8,351		8,351	9,100		9,100
Total major national security.....	7,949		7,949	8,394		8,394	9,140		9,140
Total repair, maintenance and operation of physical assets.....	8,460	\$261	8,198	8,977	\$309	8,668	9,720	\$320	9,399
<b>Regulation and control:</b>									
The judiciary.....	30		30	37		37	39		39
Independent offices:									
Interstate Commerce Commission.....	12		12	13		13	14		14
National Labor Relations Board.....	8		8	9		9	10		10
Department of Agriculture.....	61		61	61		61	64		64
Department of Commerce.....	20		20	21		21	20		20
Department of Justice:									
Federal Bureau of Investigation.....	79		79	99		99	95		95
Other.....	100		100	116		116	118		118
Department of Labor.....	7		7	9		9	11		11
Treasury Department.....	157		157	164		164	167		167
Other agencies.....	34	2	32	37	2	35	41	2	39
Total regulation and control.....	508	2	507	566	2	564	579	2	577
<b>Operation and maintenance of the postal system (excluding the postal deficit):</b>									
Post Office Department: Postal service fund.....	2,340	2,340		2,422	2,422		2,524	2,524	
<b>Operation and administration of other civil activities:</b>									
International activities:									
United States Information Agency.....	81		81	84		84	102		102
Department of State:									
International educational exchange activities.....	5		5	17		17	17		17
Contributions to international organizations.....	28		28	28		28	33		33
Government in occupied areas.....	16		16	10		10	1		1
Other.....	80		80	83		83	96		96
Other agencies.....	2		2	6		6	1		1
Total international activities.....	212		212	228		228	250		250
<b>Federal financial activities:</b>									
General Accounting Office.....	31		31	34		34	35		35
Renegotiation Board and Tax Court of the United States.....	5		5	5		5	5		5
Treasury Department:									
Bureau of Internal Revenue.....	271		271	306		306	307		307
Other.....	84	(b)	84	91	(b)	91	87	(b)	87
Total Federal financial activities.....	391	(b)	391	437	(b)	437	434	(b)	434
<b>Other direct Federal programs:</b>									
Legislative branch.....	56		56	72		72	73		73
Independent offices:									
Civil Service Commission.....	15		15	18		18	18		18
Federal Civil Defense Administration.....	8		8	13		13	24		24
Foreign Claims Settlement Commission.....	(b)		(b)	13		13	1		1
Selective Service System.....	27		27	29		29	29		29
General Services Administration.....	35		35	28		28	39		39
Department of Commerce.....	28		28	36		36	37		37
Department of Defense—Civil Functions:									
Claims.....				28		28	35		35
Other.....	23		23	24		24	25		25
Post Office Department.....	37	37		39	39		39	39	
Treasury Department: Claims.....	142		142	140		140	150		150
Other agencies.....	23		23	24		24	22		22
Total other direct Federal programs.....	394	37	357	464	39	425	492	39	453

(b) Less than one-half million dollars.



## SPECIAL ANALYSIS D—Continued

## INVESTMENT, OPERATING, AND OTHER BUDGET EXPENDITURES—Continued

[In millions]

	1955			1956			1957		
	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)	Budget expenditures (gross)	Applicable receipts	Budget expenditures (net)
<b>OTHER SERVICES AND CURRENT OPERATING EXPENSES—Continued</b>									
<b>Operation and administration of other civil activities—Continued</b>									
Retirement, unemployment, and accident compensation for Federal employees:									
Civil Service Commission: Payment to Civil Service retirement and disability fund and annuities under special acts.....	\$32		\$32	\$235		\$235	\$297		\$297
Department of Labor:									
Employees compensation claims and expenses.....	19		19	32		32	33		33
Unemployment compensation for Federal employees.....	47		47	48		48	48		48
Treasury Department.....	20		20	24		24	26		26
Other agencies.....	3		3	5		5	4		4
Total retirement, unemployment, and accident compensation for Federal employees.....	121		121	344		344	408		408
Shared revenues and grants-in-aid:									
Department of Agriculture.....	17		17	20		20	27		27
Department of the Interior.....	61		61	60		60	61		61
Treasury Department.....	16		16	19		19	18		18
Federal payment to the District of Columbia.....	15		15	15		15	17		17
Other agencies.....	5		5	6		6	5		5
Total shared revenues and grants-in-aid.....	114		114	120		120	128		128
Total operation and administration of other civil activities.....	1,232	\$37	1,195	1,592	\$39	1,553	1,712	\$39	1,673
<b>Other major national security operation and administration:</b>									
General Services Administration.....	39		39	40		40	38		38
Department of Defense—Military Functions:									
Military personnel.....	11,062		11,062	10,835		10,835	10,856		10,856
Reserve components (excluding construction).....	658		658	805		805	1,014		1,014
Departmentwide activities (excluding construction).....	235		235	258		258	263		263
Working capital (revolving funds).....	• 364	( <sup>b</sup> )	• 364	• 824	( <sup>b</sup> )	• 824	• 725	( <sup>b</sup> )	• 725
Total other major national security operation and administration.....	11,631	( <sup>b</sup> )	11,631	11,114	( <sup>b</sup> )	11,114	11,446	( <sup>b</sup> )	11,446
<b>Interest:</b>									
On the public debt.....	6,370		6,370	6,800		6,800	7,000		7,000
Other interest:									
On refunds.....	62		62	69		69	60		60
On uninvested funds.....	5		5	6		6	6		6
Total other interest.....	67		67	75		75	66		66
Total interest.....	6,438		6,438	6,875		6,875	7,066		7,066
Total other services and current operating expenses.....	30,609	2,640	27,969	31,546	2,772	28,774	33,047	2,887	30,161
<b>RESERVE FOR CONTINGENCIES.....</b>				100		100	225		225
Deduct, Commodity Credit Corporation, collateral acquired <sup>1</sup> .....	2,118	2,118		2,383	2,383		1,835	1,835	
Total budget expenditures.....	75,097	10,527	64,570	74,567	10,298	64,270	76,914	11,049	65,865

<sup>a</sup> Deduct, excess of repayments and collections over expenditures.<sup>b</sup> Less than one-half million dollars.<sup>1</sup> Noncash transaction, included above in budget expenditures (gross) for commodity inventories, and in the applicable receipts which are applied to loans.

## SPECIAL ANALYSIS E

## ANALYSIS OF BUDGET EXPENDITURES BY PURPOSE

## INTRODUCTION AND SUMMARY

In this special analysis, the expenditures of the United States Government are divided into four large groupings in order to show the ultimate ends or purposes for which Federal taxes and other revenues are used. These categories are (1) The cost of protection, including collective security; (2) civil benefits to various parts of our society; (3) civil operations and administration; and (4) interest payments, mainly on the public debt.

The discussion of budget expenditures which appears on pages M8 to M12 of the President's budget message is based on this classification. This analysis is a revision of the special classification of budget expenditures which appeared in the 1956 budget (pp. M11-M13, M21-M23, and 1153-1154 of that document).

Table 1 summarizes budget expenditures on a net basis according to the major categories of special analysis E. Details on each category are contained in subsequent sections of this analysis.

TABLE 1.—Summary of budget expenditures, by purpose

[Net of applicable receipts. In millions]

	1955 actual	1956 estimate	1957 estimate
Protection, including collective security.....	\$42,705	\$41,367	\$42,384
Civil benefits.....	13,724	13,790	13,949
Interest.....	6,438	6,875	7,066
Civil operations and administration.....	1,703	2,137	2,242
Reserve for contingencies.....		100	225
Total.....	64,570	64,270	65,865

## PROTECTION, INCLUDING COLLECTIVE SECURITY

The expenditures for protection, including collective security, which account for almost two-thirds of budget expenditures, consist of all the outlays (including those for additions to Federal assets) for the Military Establishment, the Mutual Security Program, and related activities which enhance this Nation's defensive posture and world position such as the overseas information program, the development of atomic energy, and civil defense. These expenditures are estimated to total \$42,384 million in 1957, compared to \$41,367 million in 1956 and \$42,705 million in 1955 (see table 2).

*Department of Defense.*—The major types of outlays by the Department of Defense are for military personnel; procurement, maintenance, and operation of military equipment; military construction; and research and development. In the fiscal year 1957, expenditures are estimated to increase by \$972 million over 1956, mainly for the maintenance and operation of increasingly complex weapons, for maintenance and operation of additional air bases, radar sites, and other military installations, and for increased reserve components. It is estimated that expanded procurement of guided missiles will be largely offset by reductions in expenditures on conventional vehicles and weapons, the requirements for which have largely been met.

*Atomic Energy Commission.*—Expenditures for the development and control of atomic energy are estimated to increase because of the purchase of greater quantities of uranium ores and concentrates, and higher production of nuclear materials and weapons.

TABLE 2.—Protection, including collective security

[Net of applicable receipts. In millions]

	1955 actual	1956 estimate	1957 estimate
Major national security:			
Department of Defense—Military Functions:			
Military personnel.....	\$11,062	\$10,835	\$10,856
Operation and maintenance.....	7,905	8,351	9,100
Major procurement and production.....	12,997	11,823	11,719
Military construction.....	1,612	1,922	1,870
Research and development, reserve components, and other.....	1,956	1,644	2,002
Subtotal, Department of Defense.....	35,532	34,575	35,547
Mutual Security Program: Military assistance and direct forces support.....	2,292	2,464	2,500
Atomic Energy Commission.....	1,857	1,715	1,945
Stockpiling and defense production expansion.....	944	713	378
Total, major national security.....	40,626	39,467	40,370
Related programs:			
Mutual Security Program: Economic and technical assistance, and other.....	1,927	1,726	1,792
Federal Civil Defense Administration.....	42	60	90
Selective Service System.....	27	28	29
United States Information Agency.....	84	86	104
Total, related programs.....	2,080	1,900	2,014
Total protection, including collective security.....	42,705	41,367	42,384

*Mutual Security Program.*—This program covers the military equipment and training furnished to friendly nations and economic and technical assistance designed to help the nations of the free world strengthen their economies and improve the standard of living of their people.

*Other.*—Expenditures for all other programs classified as protection cover net expenditures for stockpiling strategic and critical materials, the expansion of defense production, the overseas information program, civil defense, and selective service.

## CIVIL BENEFITS

A large number of programs designed to yield benefits to the Nation generally or to various groups and geographic areas are classified as civil benefits. These cover expenditures for the acquisition of assets, which have varying degrees of recoverable value or permanency, expenditures for long-range development, and current aids and services to various groups. Expenditures for civil benefits are estimated to total \$13,949 million in the fiscal year 1957, compared to \$13,790 million in 1956 and \$13,724 million in 1955 (see table 3).

*Additions to Federal assets.*—This subcategory covers loans, construction activity, and acquisition of other physical assets by all agencies except those grouped under protection.

Expenditures by the Commodity Credit Corporation for additions to Federal assets cover (1) the net change in loans outstanding for agricultural price supports and certificates of interest pertaining to those loans, (2) increases in inventories of commodities bought or taken over as forfeited collateral on the loans, and (3) construction of storage facilities.

Other loans are made to homeowners, State and local governments, foreign borrowers, and other groups. Loans are generally shown on a net basis, the gross outlays being reduced by the amount of repayments, forfeiture of collateral, and other collections from existing loans. Addi-



tional detail on loan programs is contained in special analysis F.

Construction covers all Federal civil public works, including water resource projects by the Corps of Engineers and the Bureau of Reclamation and construction of public buildings and facilities by the General Services Administration and other agencies.

*Long-range development.*—A number of Federal programs are broadly developmental in that they contribute to the physical productivity of the economy or increase the technical skills and knowledge of individuals. These programs, which are mainly conducted through grants-in-aid to State and local governments, include agricultural conservation assistance to farmers, programs of education, health, and scientific research and development, and construction of airports and highways. The estimates do not reflect the President's proposed program of increased grants for highway construction which, it is contemplated, will be financed so as not to create budget deficits.

*Current expenses for civil benefits.*—This category covers current expenditures for programs which primarily provide aids or special services to one or more specific groups. However, it excludes investment-type expenditures such as the outlays for loans, construction, other assets, and developmental programs, included above, which provide substantial benefits to various economic groups.

Current expenses predominantly for the benefit of farmers consist chiefly of the net expenditures of the Commodity Credit Corporation, other than those classified as additions to Federal assets, long-range development, and international aids; the removal of surplus agricultural commodities; and administrative expenses of aid programs to farmers. This category also includes the proposed program of soil bank and related aids to agriculture.

Current expenses primarily benefiting private business include aids and subsidies to the aviation and shipping industries and the losses in postal operations arising primarily from second-, third-, and fourth-class mail. The decline estimated in 1957 net expenditures arises chiefly from the proposed increase in postal rates.

Current expenses primarily benefiting labor include the Federal grants to cover the cost of administering unemployment insurance and public employment offices, some administrative expenses of the Department of Labor, and the mine safety work of the Bureau of Mines.

Most of the expenditures primarily benefiting homeowners and tenants are in the form of loans already covered above. Current expenses are primarily for administration and interest, and are offset by the operating receipts arising from housing loan and loan insurance programs.

Current expenses primarily benefiting veterans account for 34 percent of all civil benefits in the fiscal year 1957. These consist of such programs as readjustment benefits, compensation and pensions, and hospital and medical care.

Federal grants to States help provide public assistance to the needy aged, the blind, the totally disabled, and orphans.

Other services performed by the Federal Government which benefit various groups or areas of the Nation include grants for the school lunch program, disaster relief, and certain activities of the Public Health Service and the Bureau of Indian Affairs.

TABLE 3.—*Civil benefits*  
[Net of applicable receipts. In millions]

	1955 actual	1956 estimate	1957 estimate
<b>Additions to Federal assets:</b>			
Commodity Credit Corporation:			
Net change in loans outstanding.....	\$792	—\$895	—\$183
Net increase in inventories.....	1,686	1,631	959
Construction.....	27	32	33
Loans, other than Commodity Credit Corporation.....	726	464	402
Construction, other than Commodity Credit Corporation:			
Tennessee Valley Authority.....	217	107	64
Department of Defense—Civil Functions.....	399	433	454
Department of the Interior.....	213	246	269
Other agencies.....	167	222	324
Other physical assets.....	—391	45	80
<b>Total, additions to Federal assets.....</b>	<b>3,835</b>	<b>2,284</b>	<b>2,402</b>
<b>Long-range development:</b>			
State, local, and private physical assets:			
Grants for school and hospital construction.....	195	150	239
Grants for public roads and airports.....	594	751	837
Agricultural conservation assistance and Soil Conservation Service.....	272	293	309
Other.....	37	58	110
<b>Subtotal, State, local, and private physical assets.....</b>	<b>1,098</b>	<b>1,252</b>	<b>1,545</b>
Education, training, and health.....	334	420	441
Research and development.....	239	296	361
Engineering and natural resource surveys.....	44	52	60
<b>Total, long-range development.....</b>	<b>1,715</b>	<b>2,020</b>	<b>2,407</b>
<b>Current expenses for civil benefits:</b>			
<b>Agriculture:</b>			
Commodity Credit Corporation.....	836	1,220	575
Removal of surplus agricultural commodities.....	43	200	247
Soil bank and accompanying proposals.....	—	—	400
Other.....	195	298	387
<b>Subtotal, agriculture.....</b>	<b>1,074</b>	<b>1,718</b>	<b>1,609</b>
<b>Business:</b>			
Air navigation aids.....	86	95	110
Payments to air carriers.....	58	41	34
Maritime ship operating subsidies and administration.....	121	116	130
Maintenance and operation of river and harbor works.....	67	66	64
Panama Canal Company.....	—8	—5	—8
Coast Guard navigation aids.....	43	51	53
Post Office.....	346	473	105
Other.....	28	75	58
<b>Subtotal, business.....</b>	<b>741</b>	<b>912</b>	<b>546</b>
<b>Labor:</b>			
Grants to States for administration of unemployment compensation and employment service administration.....	192	228	253
Payment to unemployment trust fund.....	64	87	81
Other.....	13	14	17
<b>Subtotal, labor.....</b>	<b>269</b>	<b>329</b>	<b>351</b>
<b>Homeowners and tenants.....</b>	<b>—105</b>	<b>—65</b>	<b>—20</b>
<b>Veterans:</b>			
Readjustment benefits.....	680	739	738
Compensation and pensions.....	2,681	2,818	2,937
Hospital and medical care.....	680	745	746
Unemployment compensation for veterans.....	106	115	118
Other.....	229	283	224
<b>Subtotal, veterans.....</b>	<b>4,375</b>	<b>4,701</b>	<b>4,762</b>
<b>International.....</b>	<b>80</b>	<b>82</b>	<b>88</b>
<b>Public assistance (grants to States).....</b>	<b>1,427</b>	<b>1,488</b>	<b>1,478</b>
<b>Other:</b>			
Grants for school lunch program (other than Commodity Credit Corporation).....	83	83	83
Department of Health, Education, and Welfare.....	47	52	53
Department of the Interior (Indian Affairs).....	21	23	26
Flood indemnity program (proposed).....	—	—	25
Other aids.....	29	35	29
Maintenance and operation of water resources assets.....	18	8	—16
Shared revenues and miscellaneous grants-in-aid.....	114	120	128
<b>Subtotal, other.....</b>	<b>312</b>	<b>321</b>	<b>327</b>
<b>Total, current expenses for civil benefits.....</b>	<b>8,173</b>	<b>9,486</b>	<b>9,141</b>
<b>Total, civil benefits.....</b>	<b>13,724</b>	<b>13,790</b>	<b>13,949</b>

## INTEREST

Interest payments for the fiscal year 1957 are estimated at \$7,066 million, an increase of \$191 million over 1956. This consists mainly of higher interest payments on the public debt, reflecting a higher level of interest rates.

## CIVIL OPERATIONS AND ADMINISTRATION

The expenditures shown under this heading are predominantly the traditional expenses for civil operations and administration of the Federal Government. Here are found the bulk of the expenditures for the legislative branch, the judiciary, the Executive Office of the President, the various regulatory activities of the Government, and the expenses of executive direction of various cabinet departments and independent agencies.

TABLE 4.—Civil operations and administration

[Net of applicable receipts. In millions]

	1955 actual	1956 estimate	1957 estimate
Repair, maintenance, and operation of properties (other than water resources).....	\$231	\$265	\$275
Regulation and control.....	507	564	577
Other civil activities:			
International activities.....	131	144	148
Federal financial activities.....	391	437	434
Other direct Federal programs:			
Claims and judgments.....	142	168	185
Other.....	180	215	215
Retirement, accident, and unemployment compensation for Federal employees.....	121	344	408
Total, civil operations and administration.....	1,708	2,137	2,242

Expenditures for civil operations and administration are estimated at \$2,242 million in the fiscal year 1957, an increase of \$105 million over 1956. The increase results primarily from an estimated rise of \$62 million in the Government's payment, as employer, to the civil service retirement and disability fund (see table 4).

## RELATIONSHIP OF DATA TO SPECIAL ANALYSIS D

The data used in this classification are related primarily to special analysis D, "Investment, operating, and other budget expenditures." Table 5 shows the relationship between that classification and this one.

The method for relating the data in this classification to special analysis D is as follows:

(1) All items which are classified in the major national security function (shown separately in special analysis D),

together with the nonmilitary portion of the Mutual Security Program, the Federal Civil Defense Administration, the Selective Service System, and the United States Information Agency are here classified as protection.

(2) Interest here is identical with interest in both the functional classification and in special analysis D.

(3) The remainder of the expenditures is divided between civil benefits and civil operations and administration, as follows: (a) "Additions to Federal assets," "Expenditures for other developmental purposes," and "Current expenses for aids and special services," are considered civil benefits; (b) repair, maintenance, and operation of water-resource properties, and expenditures for shared revenues and miscellaneous grants-in-aid are also considered civil benefits; and (c) the remaining expenditures are considered civil operations and administration.

TABLE 5.—Relationship of classification of 1957 expenditures by purpose to special analysis D

[Net of applicable receipts. In millions]

"D" classification	Classification by purpose			
	Protection	Interest	Benefits	Operations
Additions to Federal assets:				
Major national security.....	\$15,398			
Civil:				
Mutual Security Program.....	138			
Federal Civil Defense Administration.....	43			
Other.....			\$2,402	
Expenditures for other developmental purposes:				
Major national security.....	1,838			
Civil:				
Federal Civil Defense Administration.....	22			
United States Information Agency.....	1			
Other.....			2,407	
Current expenses for aids and special services:				
Major national security.....	2,547			
Civil:				
Mutual Security Program.....	1,654			
Other.....			9,028	
Other services and current operating expenses:				
Major national security.....	20,586			
Interest.....		\$7,066		
Civil:				
Repair, maintenance, and operation of physical assets:				
Water resources assets.....			-16	\$275
Other.....				577
Regulation and control.....				
Other civil activities:				
Federal Civil Defense Administration.....	24			
Selective Service System.....	29			
United States Information Agency.....	102			
Shared revenues and grants-in-aid.....			128	
Other.....				1,390
Total.....	42,384	7,066	13,949	2,242

NOTE.—In addition, the budget includes an unallocated reserve for contingencies of \$225 million.



## SPECIAL ANALYSIS F

### FEDERAL CREDIT PROGRAMS

#### INTRODUCTION

Federal credit programs are an important method for the achievement of public policy objectives. For example, as part of the Federal programs for improvement of housing and encouragement of home ownership, Federal agencies currently insure or guarantee about 40 percent of all outstanding home-mortgage loans. Similarly, financial assistance in the form of credit is an important part of the Federal program of encouraging efficient family-size farm units. Loans to help restore international economic stability and promote the economic development of underdeveloped areas have been a significant part of the Government's international program in recent years. Federal loans to business are primarily to help meet defense needs and to assist small businesses to obtain financing; they account for only a very small part of business credit. The President is recommending new credit aids as part of his programs for assistance to school construction, health facilities, and communities suffering from chronic unemployment. In addition to influences in these specific areas, Federal credit programs exert a powerful influence on the general level of economic activity.

The impact of Federal credit programs on the Federal budget is relatively small when compared with the large amount of credit extended or guaranteed. The most important reason for this is the predominance of Federal insurance and guaranties of private loans in recent years, discussed more fully later in this analysis. Such programs normally involve little or no budget expenditures except in cases when defaults require the guaranteeing or insuring agencies to take over private loans. Secondly, a substantial share of new commitments, both for insurance and guaranties and for direct loans, are canceled or expire without being used by the lending institution or the borrower. Finally, collections on loans in most cases directly offset disbursements on new loans, with the result that net expenditures are much less than gross expenditures; often net receipts occur.

Federal credit programs are intended to supplement rather than to substitute for private credit. They have expanded greatly in the postwar period. Direct loans outstanding increased from about \$5 billion in 1945 to nearly \$17 billion on June 30, 1955. However, this amount was less than 5 percent of the estimated private debt of \$353 billion outstanding on that date. Private loans partly or wholly guaranteed by Federal agencies have increased more than sevenfold since 1945 to \$45 billion, comprising 13 percent of total private debt.

#### COVERAGE OF SPECIAL ANALYSIS

This special analysis presents a broad picture both of direct Federal loans and investments, and of Federal loan insurance and loan guaranty programs. It summarizes new commitments, disbursements and repayments, loans outstanding and guaranties in force, new commitment authority, and status of credit authority of 18 major Federal credit programs. These programs account for nearly all new commitments of Federal credit agencies in the fiscal year 1957.

The analysis covers major credit programs of wholly owned Government enterprises, whether corporate or non-corporate. Included also are major credit operations of

other departments and agencies, not primarily engaged in lending activities, such as the Treasury Department loan to the United Kingdom in 1947. Loan programs of important quasi-public agencies are excluded from the tables, but are discussed separately.

The analysis excludes interagency credit, such as borrowing from the Treasury by other Government agencies, whether for loan or other programs. Credit extended in connection with sales by the Federal Government, such as credit to finance sales of war surplus goods, is also excluded in general.

#### SUMMARY

Total new commitments for major Federal credit programs for the fiscal year 1957 are estimated at \$21.3 billion (table 1). Of this total, credit aids for housing and related programs, including loans and guaranties by the Housing and Home Finance Agency and the Veterans Administration, account for \$15.8 billion, or nearly 75 percent; those for agricultural programs account for \$4.3 billion, or 20 percent. The level of commitments in 1957 will be about the same as in 1956 with increased commitments for housing programs offset by decreases in new commitments by the Commodity Credit Corporation.

TABLE 1.—Commitments and expenditures for major Federal credit programs classified by agency or program

Agency or program	New commitments			Net expenditures		
	1955 actual	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
Housing and Home Finance Agency.....	\$6,864	\$8,403	\$9,179	\$174	\$36	—\$123
Veterans Administration.....	6,211	6,483	6,656	88	90	104
Department of Agriculture.....	2,878	3,371	2,277	937	—749	—20
Farm Credit Administration.....	1,920	1,987	2,085	63	47	32
Expansion of defense production.....	122	104	73	37	—	—160
Small Business Administration.....	64	90	65	18	43	11
Treasury Department.....	—	—	—	—88	—196	—63
Export-Import Bank.....	621	705	960	—34	—20	—30
Department of State.....	200	200	(1)	151	123	121
Total.....	18,880	21,343	21,295	1,346	—626	—128
Other agencies or programs.....	—	—	—	94	45	22
Adjustments for repayments going directly into miscellaneous receipts.....	—	—	—	272	289	309
Total budget expenditures.....	—	—	—	1,712	—292	203

<sup>1</sup> Not available.

As indicated in detail in table 3 below, receipts of major credit programs will exceed expenditures by \$128 million in 1957. The changes over the 3-year period are accounted for in large part by changes in the level of operations of price-support programs of the Commodity Credit Corporation.

#### NEW COMMITMENTS

New commitments provide the best single measure of the trends in most Federal credit programs. They also provide the best indication of trends in the economic impact of these programs, since changes in the magnitude of new commitments usually lead to corresponding changes in the volume of loans disbursed either by public agencies or private lenders.

In this study, commitments are defined as approvals by Federal agencies of direct loans or of insurance or guaranties of private loans. They are shown on a gross basis, including commitments which do not result in an actual



credit extension. The amounts shown are the principal amounts of the loans; for several guaranty and insurance programs these exceed the Government's contingent liability, since the unguaranteed or uninsured portions are also included.

As table 2 indicates, commitments for Federal guaranties and insurance of private loans account for nearly 80 percent of total new commitments in 1957. This high proportion arises from legal requirements or administrative policy of making direct loans only where private credit, even with Government guaranty or insurance, is not available on reasonable terms, and from revisions in interest rates and other terms designed to make guaranteed and insured loans more attractive to private lenders. Many of the direct loans and investments also encourage private lending, for example, purchases of mortgages by the Federal National Mortgage Association from private financial institutions and discounts by the Federal Intermediate Credit banks of short-term farm credit extended by private lenders.

*Direct loans and investments.*—New commitments of \$4.6 billion for direct loans and investments continue at approximately the 1956 level, apart from omission of 1957 figures for the International Cooperation Administration. The Housing Amendments of 1955 have authorized more liberal terms for college housing loans, administered by the Community Facilities Administration, and commitments are expected to more than double. The lending program of the Export-Import Bank is being expanded. On the other hand, it is expected that the price-support operations by the Commodity Credit Corporation will decline.

TABLE 2.—New commitments for major Federal credit programs classified by type of assistance, major agency, or program

Agency or program	1955 actual		1956 estimate		1957 estimate	
	Direct loans and investments	Guaranties and insurance	Direct loans and investments	Guaranties and insurance	Direct loans and investments	Guaranties and insurance
Housing and Home Finance Agency:						
Federal National Mortgage Association	\$14	-----	\$347	\$109	\$187	\$235
Urban Renewal Administration	42	-----	128	-----	160	-----
Community Facilities Administration	48	-----	114	-----	240	-----
Federal Housing Administration	15	\$5,960	33	6,722	55	7,452
Public Housing Administration	300	485	450	500	350	500
Veterans Administration	158	6,053	108	6,375	128	6,528
Department of Agriculture:						
Rural Electrification Administration	217	-----	265	-----	265	-----
Farmers' Home Administration	235	48	234	81	231	81
Commodity Credit Corporation	483	1,895	517	2,274	312	1,388
Farm Credit Administration: Federal intermediate credit banks	1,920	-----	1,987	-----	2,085	-----
Expansion of defense production	2	120	20	84	-----	73
Small Business Administration	32	32	58	32	33	32
Export-Import Bank	406	215	395	310	510	450
Department of State: International Cooperation Administration	200	-----	200	-----	(1)	-----
Total by type of assistance	4,072	14,808	4,856	16,487	4,556	16,739
Grand total	18,880	-----	21,343	-----	21,295	-----

<sup>1</sup> Not available.

*Guaranties and insurance.*—New commitments for Federal guaranties and insurance of private loans are estimated at \$16.7 billion in the fiscal year 1957, compared to \$16.5 billion in 1956 and \$14.8 billion in 1955. Guaranties and insurance of housing mortgages will be substantially higher mainly as a result of growing activities under the mortgage insurance programs for housing in urban renewal areas and the revised program authorized

by the Housing Amendments of 1955 for mortgage insurance on family housing for the armed services. The increases in the housing programs account for virtually all of the increase since 1955. Commodity loan guaranties under the price-support program of the Commodity Credit Corporation are expected to decline sharply in 1957 primarily because of continuation of acreage restrictions and lower support levels on some commodities.

*Overlap in commitments.*—Total commitments may overstate by 1 to 2 billion dollars the net amount of credit assistance by the Federal Government, especially for housing credit. This is because two or more types of Federal assistance are sometimes provided for the same borrower or the same property at different stages in the financing process. No adjustment is made for this overlap, since the amount in any single year is difficult to estimate.

A substantial share of the housing initially constructed with the aid of mortgage insurance by the Federal Housing Administration is ultimately sold to veterans who finance their purchases with mortgages guaranteed by the Veterans Administration. The Federal National Mortgage Association purchases or participates only in mortgages previously insured by the Federal Housing Administration or guaranteed by the Veterans Administration.

Similarly, local housing authorities normally finance most or all of the construction of low-rent units with temporary loans made or directly guaranteed by the Public Housing Administration. These temporary obligations, however, are refinanced by sale of long-term obligations to private investors on the security of Federal annual contribution contracts.

#### DISBURSEMENTS AND REPAYMENTS

Direct loans and investments can have a major impact on the Federal budget, since the difference between disbursements and repayments represents Federal expenditures or receipts. Federal guaranties and insurance of private loans, on the other hand, ordinarily have only a minor effect on Federal expenditures, since they result primarily in expenditures by private financial institutions. Only if they have been taken over by Federal agencies as a result of defaults or otherwise are they reflected in budget expenditures. Net expenditures for Federal credit assistance give, therefore, only a partial picture of the economic impact of these programs.

Net expenditures of all Government lending programs—with the exception of loans from trust funds or by quasi-public agencies—are included in the budget totals. In most cases, collections are offset directly against expenditures; in a few major programs, however, they go directly to miscellaneous receipts and, therefore, do not affect budget expenditures.

Expenditures of most loan programs are shown in most budget tables on a net basis, that is, they reflect loan disbursements less repayments of old loans. In table 1 of this analysis, expenditures for loans are shown on a net basis. However, to indicate more clearly the total volume of loans, table 3 shows both gross loan disbursements and repayments (including those going directly to miscellaneous receipts of the Treasury). The difference between these two columns represents the net addition to or reduction in Federal loan assets (excluding primarily chargeoffs and recoveries) for the major credit programs during the fiscal year. To bring total expenditures for loans into line with budget expenditures, net expenditures of minor Federal programs and an adjustment for repayments going directly to miscellaneous receipts are shown.



TABLE 3.—Disbursements and repayments for major Federal credit programs classified by agency or programs

[In millions]

Agency or program	1955 actual		1956 estimate		1957 estimate	
	Disbursements	Repayments	Disbursements	Repayments	Disbursements	Repayments
Housing and Home Finance Agency:						
Federal National Mortgage Association	\$539	\$343	\$114	\$179	\$77	\$308
Urban Renewal Administration	30	25	37	24	43	35
Community Facilities Administration	32		37	1	67	1
Federal Housing Administration	49	10	57	15	44	20
Public Housing Administration	215	313	414	404	473	463
Veterans Administration	145	57	149	59	168	64
Department of Agriculture:						
Rural Electrification Administration	197	75	215	78	230	85
Farmers' Home Administration	235	212	234	225	234	215
Commodity Credit Corporation	4,454	3,662	2,746	3,641	2,981	3,165
Farm Credit Administration: Federal intermediate credit banks	1,920	1,857	1,987	1,940	2,085	2,053
Expansion of defense production: Direct loans and advances	80	40	68	68	13	172
Guaranties of defense production loans	1	4	4	4	3	4
Small Business Administration	25	7	54	11	30	19
Treasury Department:						
Reconstruction Finance Corporation liquidation	10	51		148		14
Loan to United Kingdom		47		48		49
Export-Import Bank	201	235	247	267	260	290
Department of State: International Cooperation Administration	151		131	8	138	17
Total	8,284	6,938	6,494	7,120	6,846	6,974
Net addition to loans and investments:						
Major agencies or programs	1,346		-626		-128	
Other agencies or programs	94		45		22	
Adjustment for repayments going directly into miscellaneous receipts	272		289		309	
Total budget expenditures for loans	1,712		-292		203	

In both tables 1 and 3, expenditure figures represent disbursements and repayments of loans only, and exclude all income and expense items. Losses actually incurred and written off are not included because no cash transaction is involved. Consistent with the general definition of budget expenditures investments and sales of United States Government securities are excluded.

In the fiscal year 1957, gross loan disbursements of major Federal credit programs are estimated at \$6,846 million and repayments at \$6,974 million. Net receipts of \$128 million are thus only a minor fraction of the gross level of activity. Of the total repayments, \$309 million will go directly to miscellaneous receipts, chiefly repayments of loans by the Farmers' Home Administration, the Rural Electrification Administration, and the Treasury loan to the United Kingdom. Allowing for this adjustment, together with net expenditures of \$22 million for relatively minor credit programs, net budget expenditures for loans will amount to an estimated \$203 million.

Gross disbursements for 1957 will be somewhat higher than in 1956, primarily as a result of increased expenditures by the Commodity Credit Corporation, in part from commitments made in prior years, and increases by the Federal intermediate credit banks mainly due to expanded farm production and rising costs. Repayments in 1957 are estimated at \$7 billion, with no major change in the overall level during the 3-year period.

Measured in terms of both disbursements and repayments, the Federal intermediate credit banks represent one of the most active direct lending programs primarily because of the short-term nature of their advances which are frequently renewed; net expenditures of the banks in

1957 will be less than 2 percent of gross disbursements. Current levels of repayments are small when compared with current disbursements in the case of programs with predominantly long-term loans such as the Rural Electrification Administration, the International Cooperation Administration, or the college housing loan program of the Community Facilities Administration. On the other hand, repayments substantially exceed disbursements in the case of liquidating programs, including the Reconstruction Finance Corporation, the loan to the United Kingdom, and the liquidating activity of the Federal National Mortgage Association.

Neither current repayments nor net expenditures provide any measure of the ultimate recoverability of the loans made. As indicated in the detailed statements on individual programs, interest or premiums cover expenses and losses for many programs. In some, the legislative mandates make losses probable from time to time, such as the nonrecourse loans of the Commodity Credit Corporation and the loan-guaranty programs of the Veterans Administration.

#### LOANS OUTSTANDING AND GUARANTIES IN FORCE

The best index of the level of Federal credit programs over a period of years is provided by the total of their outstanding loans, guaranties, and insurance in force.

Outstanding loans by the end of the fiscal year 1957 are estimated at \$16.2 billion, approximately the same as at the end of 1956, but substantially below the 1955 level; this is primarily because of reductions in loans by the Commodity Credit Corporation, reflecting increased acquisition of commodities. About one-half of the loans outstanding are to foreign borrowers, including the loan of \$3.5 billion to the United Kingdom, loans of \$2.6 billion by the Export-Import Bank, and the \$1.9 billion by the International Cooperation Administration.

TABLE 4.—Outstanding loans, guaranties, and insurance for major Federal credit programs classified by agency or program

[In millions]

Agency or program	1955 actual		1956 estimate		1957 estimate	
	Direct loans and investments	Guaranties and insurance	Direct loans and investments	Guaranties and insurance	Direct loans and investments	Guaranties and insurance
Housing and Home Finance Agency:						
Federal National Mortgage Association	\$2,584		\$2,517		\$2,279	\$38
Urban Renewal Administration	37	\$31	50	\$48	58	85
Community Facilities Administration	81		117		183	
Federal Housing Administration	207	18,703	227	20,969	284	24,366
Public Housing Administration	99	2,735	109	2,998	119	3,326
Veterans Administration	451	22,308	521	26,140	625	30,295
Department of Agriculture:						
Rural Electrification Administration	2,285		2,422		2,567	
Farmers' Home Administration	767	94	766	162	773	216
Commodity Credit Corporation	1,151	987	254	1,696	70	1,091
Farm Credit Administration: Federal intermediate credit banks	855		902		934	
Expansion of defense production	284	395	284	270	124	208
Small Business Administration	35	22	78	39	89	51
Treasury Department:						
Reconstruction Finance Corporation liquidation	229	19	74	20	58	14
Loan to United Kingdom	3,567		3,519		3,470	
Export-Import Bank	2,639	98	2,619	159	2,589	346
Department of State: International Cooperation Administration	1,692		1,815		1,936	
Total by type of assistance	16,943	45,392	16,274	52,501	16,158	60,036
Grand total	62,335		68,775		76,194	



Guaranties and insurance in force are estimated to increase to \$60 billion by the end of the fiscal year 1957. The increase of nearly \$15 billion in the 2 years since the end of 1955 reflects primarily increased guaranties of mortgage loans by the Veterans Administration and the Federal Housing Administration. These two programs account for 90 percent of all outstanding guaranties and insurance, and most of the remainder are long-term obligations of the Public Housing Administration.

The amounts shown include both the guaranteed and unguaranteed portion of outstanding loans in order to give a clearer picture of the economic impact of these programs and to tie in better with banking statistics. They do not, however, indicate the estimated contingent liability of the Federal Government, which is shown in table 6. The major program on which the contingent liability differs materially from the principal amount of the loans is the veterans' loan-guaranty program. By the end of the fiscal year 1957, the outstanding amount of such loans will be about \$13.7 billion higher than the Government liability.

The probability that the Government will be called upon to take over any substantial part of the guaranteed or insured portion of outstanding loans is small, except possibly in a national financial emergency. Sizable assets are available to minimize any potential losses. Moreover, in the case of most mortgage insurance programs charging premiums, income in the past has been sufficient not only to cover expenses and current losses, but also to build up substantial reserves.

#### NEW COMMITMENT AUTHORITY

New commitment authority includes any additional loan or loan guaranty authority made available or recommended. There are several kinds of new commitment authority. Budget authorizations are those included in budget totals of new obligational authority; they consist either of appropriations or of authorizations to expend from public debt receipts. Other authorizations, which do not normally give rise to budget expenditures, consist of insurance and guarantee authorizations and conditional authorizations which become available only under specified conditions.

Table 5 summarizes new commitment authority of the 14 major credit programs which will receive additional authority during the period. New commitment authority for the fiscal year 1957 is estimated at \$7.2 billion compared to \$12.5 billion in 1956. New authority required for the Federal Housing Administration in 1957 is sharply below 1956 because of the large carryover of unused authority; no new borrowing authority is requested in the budget for the Commodity Credit Corporation in 1957. About 67 percent of the new authority is required for guaranties and insurance of housing loans by the Federal Housing Administration and Veterans Administration.

New commitment authority for most credit programs is provided by Congress in the basic legislation rather than in appropriation acts. For example, the lending authority of the Export-Import Bank and the Small Business Administration, the borrowing authority of the Commodity Credit Corporation and the Public Housing Administration, and the various mortgage insurance authorizations of the Federal Housing Administration are all prescribed in the statutes governing these programs. Since new commitments can generally be financed out of uncommitted balances of prior authorizations, or out of funds made available by collections on outstanding loans, re-

TABLE 5.—New commitment authority for major Federal credit programs classified by type of authorization, agency, or major program

Agency or program	[In millions]					
	1955 actual		1956 estimate		1957 estimate	
	Budget authorizations	Other	Budget authorizations	Other	Budget authorizations	Other
Housing and Home Finance Agency:						
Federal National Mortgage Association.....		\$400	\$250			
Community Facilities Administration.....			300		\$100	
Federal Housing Administration.....	2,138			\$4,564		\$1,043
Public Housing Administration.....	485			500		500
Veterans Administration:						
Direct loans.....	\$124		88	62	85	65
Loan guaranties and insurance.....		3,427		3,750		3,840
Department of Agriculture:						
Rural Electrification Administration.....						
Farmers' Home Administration.....	210	35	235	100	195	25
Commodity Credit Corporation.....	153	125	173	125	180	125
Farm Credit Administration: Federal intermediate credit banks.....	1,500		2,002		929	
Expansion of defense production: Guaranties of defense production loans.....		25		20		30
Small Business Administration.....		98		69		59
Export-Import Bank.....	25		25	38	30	20
Department of State: International Cooperation Administration.....	500					
	200		200		(1)	
Total by type of authorization.....	2,712	6,733	3,273	9,228	1,519	5,707
Grand total.....		9,445		12,501		7,226

<sup>1</sup> Not available.

quests for new commitment authority in any 1 year are limited to relatively few credit programs. For example, in the fiscal year 1957, new commitment authority is requested for only five major programs—the Rural Electrification Administration, the Farmers' Home Administration, the Small Business Administration, the Community Facilities Administration, and the Federal Housing Administration; in addition, restoration of capital impairment is requested for the Commodity Credit Corporation. In several other programs, however, authority will become available in 1956 without additional action by the Congress, for example, the direct loan program of the Veterans Administration.

In several important cases, the authority provided by the basic statute is indefinite. The most important examples are guaranties and insurance of loans by the Veterans Administration, guaranties of defense production loans under section 301 of the Defense Production Act, and indirect guaranties of local housing authority obligations issued on the security of annual contribution contracts of the Public Housing Administration. In these cases, the tabulations show new authorizations equal to the net amount of the guaranteed or insured portion of new commitments.

A second type of new authority indefinite in amount exists in the case of loan programs where the authority can also be used for grants, purchase commitments, or other nonlending purposes. Major examples during the 3-year period are the programs of the Commodity Credit Corporation and the International Cooperation Administration. In these programs all the new obligational authority provided could legally be used for loans, but is not likely to be so used. Dollar loans by the International Cooperation Administration in the 3-year period account for only a relatively small part of the total assistance program, so that it would be misleading to include the total amount of the Mutual Security Program as new obligational authority for loan assistance. The data,



therefore, show amounts for new authority adequate to finance estimated new commitments. Loans and guaranties by the Commodity Credit Corporation account for a substantial part of its program. Its total new obligational authority is, therefore, included, even though some of it will be used for nonlending purposes.

#### STATUS OF CREDIT AUTHORITY

Unlike most other Government programs, commitment authority for the major credit programs is not normally provided for a single year, but remains available in most instances until utilized or until the statutory authority for the program expires. Hence, with only a few exceptions, the existing authority represents the cumulative total of amounts made available in prior years.

*Cumulative net authority.*—Three major types of commitment authority have been provided for Federal credit

programs. A majority of the major programs operate on a revolving-fund basis, that is, collections on outstanding loans and expirations of insurance commitments permit reuse of the original authority. Limitations on such programs are ordinarily in terms of maximum amounts of loans outstanding, maximum borrowings from the Treasury, or maximum amounts of insurance or guaranty liability. Leading examples include almost all lending programs of Government corporations and the insurance programs of the Federal Housing Administration.

In the case of several noncorporate loan and loan insurance programs a maximum limitation is placed upon the total volume of loans and loan insurance commitments. Funds collected on such loans and expirations of such insurance are not available for reuse. Typical examples are the direct loan program of the Rural Electrification Administration and the direct loan and insurance program of the Farmers' Home Administration.

TABLE 6.—*Status of credit authority for major Federal credit programs classified by agency or program*

[In millions]

	1955 actual	1956 estimate	1957 estimate								
			1957 total	Housing and Home Finance Agency	Veterans Administration	Department of Agriculture	Farm Credit Administration	Expansion of defense production	Small Business Administration	Treasury Department	Export-Import Bank and Department of State
Cumulative net commitment authority at beginning of year:											
Definite limitation.....	\$46,204	\$47,715	\$51,671	\$35,300	\$531	\$6,468		\$715	\$143	\$3,614	\$4,900
Indefinite limitation.....	14,686	18,408	21,126	2,486	15,077		\$1,143	340			2,080
New commitment authority during year:											
Definite limitation.....	4,697	7,898	2,734	1,100	150	1,454			30		
Indefinite limitation.....	4,748	4,603	4,492	543	3,840		30	59	20		
Adjustments.....	-4,212	-5,827	-4,839	-342	-1,588	-2,099		-704	-17	-72	-17
Cumulative net authority at end of year.....	66,123	72,797	75,184	39,087	18,010	5,823	1,173	410	176	3,542	6,963
Cumulative charges against authority:											
Loans and investments:											
Outstanding.....	16,943	16,274	16,158	2,923	625	3,410	934	124	89	3,528	4,525
Undisbursed commitments.....	1,996	2,491	2,859	1,062	85	660		18	5		1,029
Guaranties and insurance:											
In force.....	35,159	40,586	46,284	27,815	16,600	1,307		166	36	14	346
Commitments outstanding.....	5,118	5,380	5,713	4,408	700	14		102	2		487
Total charges against authority.....	59,216	64,731	71,014	36,208	18,010	5,391	934	410	132	3,542	6,387
Uncommitted authority, end of year.....	6,907	8,066	4,170	2,879		432	239		44		576

A few programs are not governed by any specific dollar limitations. These are limited only indirectly by the provisions of the statute or of the agency's regulations governing eligibility for Federal credit assistance. The amount committed depends primarily on the number of applications. The most important example is the loan guaranty and insurance program of the Veterans Administration. The loan guaranties authorized under section 301 of the Defense Production Act are also not specifically limited.

In the case of both the Commodity Credit Corporation and lending programs under the Defense Production Act, loans are financed from obligational authority which also finances nonlending programs. For the purposes of this analysis, the net authority available at the beginning of the year for these loan programs is set equal to the total available authority after deducting authority committed for nonlending programs. An exception is made for the

International Cooperation Administration, because its dollar loans account for only a small and indefinite part of the total assistance given under the mutual security program in recent years and in 1957. Its authority at the beginning of the year is, therefore, shown as equal to loans outstanding and undisbursed commitments at the beginning of the year.

Credit authority available at the beginning of the fiscal year 1957 is estimated at \$72.8 billion (table 6). New commitment authority of \$7.2 billion is estimated to become available during the year. On the other hand, estimated expirations, certain repayments, and other reductions in outstanding authority amount to \$4.8 billion. The net authority available at the end of the fiscal year 1957 is, therefore, estimated at \$75.2 billion.

*Charges against authority.*—In addition to the \$62.4 billion of outstanding loans and guaranties (shown in detail in table 4 but excluding here the portion of private



loans not guaranteed or insured by the Federal Government), charges against the available authority include undisbursed commitments. These are expected to total \$8.6 billion on June 30, 1957, for loans and guaranties together.

*Uncommitted authority.*—For major Federal credit programs as a whole, commitment authority at the end of the fiscal year 1957 is estimated to exceed charges against the authority by \$4.2 billion. Of this unused lending authority, 69 percent is accounted for by several programs administered by the Housing and Home Finance Agency, including \$1.2 billion by the Federal Housing Administration. A reduction of \$2.4 billion in uncommitted authority of the Federal Housing Administration accounts for the major part of the decline of uncommitted authority between 1956 and 1957.

Since the indefinite authority of loan guaranty programs not subject to specific limitations is shown as equal to charges against the authority, the total uncommitted authority in table 6 does not reflect the fact that these guaranty programs could be expanded substantially under presently available authority. However, nearly 70 percent of the cumulative authority is subject to definite limitations.

Since this analysis is limited to major active or liquidating credit programs, substantial amounts of uncommitted standby authority of other programs are excluded. The most important examples are the \$3 billion borrowing authority for the Federal Deposit Insurance Corporation, \$1 billion for the Federal home loan banks, and \$750 million for the Federal Savings and Loan Insurance Corporation. These are unlikely to be used unless a national financial emergency occurs.

#### QUASI-PUBLIC CREDIT PROGRAMS

The Federal Government also has a measure of responsibility for the credit programs of certain mixed-ownership corporations and other public agencies operating in whole or in part with private funds. The most important are the banks for cooperatives, the Federal land banks, the Federal home loan banks, the Federal Reserve banks, and the secondary mortgage market activity of the Federal National Mortgage Association.

The 12 regional banks for cooperatives make loans to agricultural cooperatives. Most of the stock in the banks is still owned by the Federal Government and the banks are supervised by the Farm Credit Administration. Loans outstanding at the end of the fiscal year 1955 were \$322 million, compared to \$305 million in 1954.

The 12 Federal land banks are now privately owned, but are sponsored by the Government and operate under the supervision of the Farm Credit Administration. These banks provide mortgage credit to farmers at relatively low interest rates through individual national farm loan associations. The amount of loans outstanding at the end of 1955 was \$1,408 million, compared with \$1,242 million a year earlier.

The 11 Federal home-loan banks are also now privately owned, but are supervised by the Federal Home Loan Bank Board and have authority to borrow \$1 billion from the Treasury, if necessary. These banks make both short-term and long-term advances to member savings and loan associations on the security of home mortgages or Treasury obligations, as well as unsecured short-term loans. Advances outstanding on June 30, 1955, were \$1,017 million, compared with \$675 million on June 30, 1954.

All of the stock in the 12 Federal Reserve banks is provided by the member banks, but the policies of the Federal Reserve System are controlled by the Board of Governors. Moreover, the Reserve banks, after paying 6 percent dividends to the member banks, pay 90 percent of their remaining profits to the Treasury, and their entire surplus reverts to the Treasury in the event of liquidation. As part of their normal central banking functions, the Reserve banks stand ready to make short-term discounts and advances for member institutions and also have a small program of direct loans to industry. The amount of discounts, advances, and industrial loans outstanding on June 30, 1955, was \$128 million, with discounts and advances seasonally low on that date. One month later, they were \$755 million.

The Housing Act of 1954 established as a part of the new Federal National Mortgage Association a fiscally separate unit, partially privately financed, to engage in secondary mortgage market operations. The new unit is intended to help make mortgage funds available throughout the country at market rates of interest. It may purchase only Government insured and guaranteed mortgages meeting the usual standards of private investors, and its operations must be self-supporting. The activity is financed initially by a Government stock subscription of approximately \$93 million transferred from the earlier Association; private mortgage sellers are also required to buy stock, with provision for ultimate retirement of the Government stock. The Association may issue unguaranteed debentures; the Secretary of the Treasury may purchase up to \$1 billion of these. It is estimated that at the end of 1957 its portfolio of mortgages will total \$414 million and private stock investment will total \$15 million.

#### MAJOR AGENCIES OR PROGRAMS

##### HOUSING AND HOME FINANCE AGENCY

Major credit programs administered by five constituents of the Housing and Home Finance Agency are included in this analysis. In addition, there are a number of minor programs—most of which are in liquidation—which are administered in the Agency.

*Federal National Mortgage Association.*—Under the Housing Act of 1954, the Federal National Mortgage Association was reconstituted as three fiscally independent activities—for secondary market operations, special assistance functions, and management and liquidating functions—under a single management. The secondary market activity is discussed above as a quasi-public credit program because of its partially private ownership.

The special assistance activity is intended to assist groups or areas otherwise unable to obtain private financing and to help prevent declines in housing activity. Authority is provided to make advance commitments, and to purchase \$200 million in mortgages. In addition, the Association can purchase \$100 million in immediate participations of 20 percent in mortgages, and agree on a deferred participation basis to purchase the remaining 80 percent of such mortgages in case of default. This authority in 1956 and 1957 will be largely directed toward supporting mortgages on housing in urban renewal areas. In addition, \$250 million commitment authority for mortgages on cooperative and military family housing was authorized by the Housing Amendments of 1955. New commitments in 1957 are estimated at \$187 million in mortgages and immediate participations and \$235 million in deferred participations.



The management and liquidating activity of the new Federal National Mortgage Association consists of the liquidation of the \$3 billion in mortgages and undisbursed commitments of the predecessor association. No new commitments can be made and mortgage purchase authority expires as mortgages are sold or repaid. Authority is provided to substitute private financing for Treasury borrowing through the sale of unguaranteed debentures. Purchases under outstanding commitments will be completed in 1956 and no additional mortgage purchases will be made in 1957 or later years. The outstanding mortgage portfolio at the end of 1957 is estimated at \$2,195 million compared with \$2,508 million at the end of 1956.

*Urban Renewal Administration.*—Under the Housing Act of 1954, the Housing and Home Finance Administrator is authorized to make loans and grants to local public agencies for the planning and execution of slum clearance and urban renewal projects. Loans are made to cover the cost of project planning, and for the temporary financing of project development. In addition, private temporary loans may be guaranteed through the pledge by local agencies of the Federal loan commitment. Borrowing authority of \$1 billion is available for these purposes.

The level of loan activity is determined primarily by the number of projects in the development stage. Planning has been completed in an increasing number of communities, and many projects have entered the actual development stage, so that financing needs are increasing. New loan commitments are estimated to increase from \$42 million in 1955 to \$128 million in 1956 and \$160 million in 1957. Net loan expenditures are expected, however, to remain at relatively low levels because of the short-term nature of the loans, and the increasing use of guaranteed private financing in lieu of direct Federal loans.

The current interest rate on these loans is 2½ percent. Administrative expenses are financed from a separate appropriation.

*Community Facilities Administration.*—The Housing Act of 1950 authorized \$300 million for long-term loans to colleges and universities for the construction of dormitories and student and faculty housing. The Housing Amendments of 1955 increased the authorization to \$500 million; broadened the definition of eligible facilities; increased the maximum maturity from 40 to 50 years; substituted a statutory formula for administrative determination of interest rates, thereby reducing the current interest rate from 3.25 percent to 2.75 percent; and liberalized previous provisions to require the substitution of private financing for Government loans only if available at the same low interest rate. These amendments have sharply increased demand for loans; as a result, loan commitments in 1957 are estimated at \$215 million compared to \$48 million in 1955 and \$106 million in 1956. The uncommitted balance of loan authority of \$69 million at the end of 1957 will be reserved for institutions which have applications in process. Legislation is being proposed in this budget to provide an additional \$100 million of authority and permit increases in interest rates sufficient to cover the cost of money to the Treasury and to make loans more attractive to private investors.

The Housing Amendments of 1955 also authorized \$100 million for a new program of loans to local governments for public facilities, such as water and sewage systems. Preference is to be given to communities with a population of less than 10,000. Commitments under this program are estimated at \$8 million in 1956 and \$25 million in 1957. Interest rates are required to cover all expenses

of the program. Under present market conditions, interest rates have been set at 3.75 percent for general obligation bonds of 30-year maturity and 4.25 percent for revenue bonds of the same period, with upward or downward adjustments for variation in the maturity period. It is expected that these interest rates will permit private refinancing during the 2-year period of Government commitments totaling \$3 million.

*Federal Housing Administration.*—The Federal Housing Administration is authorized to insure against default (a) the full principal amount of a wide variety of mortgage loans on new and existing housing, and (b) up to 90 percent of the principal amount on unsecured home improvement loans. The basic program of insuring loans for 1- to 4-family housing accounts for the bulk of mortgage insurance activity, but insurance is also provided for mortgages on rental housing, housing under cooperative ownership, and housing on military reservations and in urban renewal areas. Approximately 17 percent of all outstanding home mortgages are insured by the Administration.

New insurance commitments, chiefly on mortgages, are expected to rise sharply in 1956 and 1957 mainly as a result of growing activity under the mortgage insurance program for housing in urban renewal areas and the revised program authorized by the Housing Amendments of 1955 for mortgage insurance on family housing for the armed services. In 1957 it is estimated that commitments will be made for insurance of mortgages on 731,950 dwelling units and for 1.3 million home improvement loans.

The Administration's program is fully self-supporting. Insurance premiums, fees, and other income will cover all current expenses and add substantially to the reserve against future losses. The current maximum interest rate is 4½ percent for insured home mortgages and 4¼ percent for mortgages on rental housing, exclusive of the insurance premium and service charges.

*Public Housing Administration.*—Under the Housing Act of 1949, the Public Housing Administration makes loans and grants to assist local authorities in the construction of low-rent public housing. These loans and grants are made under annual contribution contracts between the Administration and local authorities. The annual contribution contracts provide for (1) loan commitments by the Administration not to exceed 90 percent of project development costs, and (2) the payment of annual Federal contributions over a 40-year period to cover debt service on the bonds used to finance the project permanently.

Loan commitments under annual contribution contracts are either disbursed as direct Federal advances or used to guarantee private temporary loans. Most frequently, a direct Federal advance is made initially and later refunded with guaranteed financing. Ordinarily long-term bonds are sold to private investors prior to completion of construction, and all temporary financing, both direct and guaranteed, is retired. However, under some circumstances, the period of temporary financing may be indefinitely extended. The Administration's borrowing authority for these purposes is \$1.5 billion. Because of the decline in the number of units under construction, the volume of temporary financing, including both public and private loans, will decline during 1956 and 1957.

Prior to completion of construction, the units are permanently financed by the local housing authority through the sale of 40-year serial bonds to private investors. While not directly guaranteed by the Federal Government, these local housing authority bonds are treated in this analysis as guaranteed obligations by virtue of the



Government contract to pay annual contributions covering debt service. The outstanding permanent financing is expected to increase from \$1.8 billion at the end of 1955 to \$2.7 billion by the end of 1957, reflecting the completion and permanent financing of a large number of units started in earlier years.

On direct Federal loans, local authorities are charged at the present time an interest rate of 2½ percent. In the past year interest rates on private temporary loans have averaged about 1.5 percent and on long-term loans have ranged between 2.33 and 2.55 percent, depending primarily on variations in market rates of interest.

#### VETERANS ADMINISTRATION

This analysis includes the loan guaranty and insurance programs, and the direct housing loan program authorized under the Servicemen's Readjustment Act of 1944, as amended. It excludes minor lending activities of the Veterans Administration, such as the policy loans made by the veterans' life insurance funds and a few very small inactive programs.

*Loan guaranties and insurance.*—The Administrator of Veterans' Affairs guarantees housing, business, and farm loans made by private lenders to veterans of World War II and the Korean conflict. By June 30, 1955, approximately 4,204,000 loans of all types had been guaranteed, of which 93 percent were for homes, 5 percent for business, and 2 percent for farms; currently housing loans account for nearly 99 percent. It is estimated that annual loan guaranties approved will increase from 571,000 during 1955 to 640,000 during 1957. This increase reflects the growing veteran population, the continuing high demand for housing, and an adequate supply of mortgage credit. There is no statutory limit on the total amount of the loans. The maximum interest rate on guaranteed loans is 4½ percent, and on most insured loans 5.7 percent.

Under existing legislation, the Government is liable for all losses on most loans up to 60 percent of the outstanding principal amount, or \$7,500, whichever is less. No charge is made by the Government for its guaranty. Administrative expenses are paid from the general operating expenses appropriation of the Veterans Administration and claims are paid from a general appropriation for veterans' readjustment benefits. Net losses on claims paid up to June 30, 1955, amounted to about \$37 million, or less than one-half of 1 percent of loan guarantees and insurance made since the program's inception.

*Direct housing loans.*—In areas where the guaranty program is ineffective because of lack of private loans at 4½ percent interest, the Veterans' Administrator may make loans directly to veterans for the purchase, construction, or improvement of homes (including farm housing) at 4½ percent interest. New commitments for direct loans in 1956 and 1957 are expected to be lower than in 1955, largely due to the success of the Voluntary Home Mortgage Credit Program in placing loans with private lenders. It is estimated that 97,971 direct loans will have been made by June 30, 1957, when the program expires.

#### DEPARTMENT OF AGRICULTURE

Three major credit programs of the Department of Agriculture are included in this analysis.

*Rural Electrification Administration.*—Since 1935, the Rural Electrification Administration has been making loans with 35-year maturities, chiefly to cooperatives, to finance construction of electrical distribution, transmission, and generating facilities to serve rural areas without

central-station service. Since 1950, similar loans have been made to finance construction and improvement of rural telephone systems.

New obligational authority is provided annually in the budget to finance these programs. New commitments for 1957 will be \$265 million, the same as for 1956, but \$48 million higher than in 1955. Most of the disbursements in 1957 will arise from commitments made in previous years; undisbursed commitments of \$655 million at the end of 1957 will be the basis for disbursements for the following 3 years, on the average.

Interest rates are set by statute at 2 percent, somewhat below the present cost of long-term money to the Treasury of about 2½ percent. Administrative expenses are financed by a separate appropriation. Collections of principal and interest are deposited in miscellaneous receipts of the Treasury.

*Farmers' Home Administration.*—The Farmers' Home Administration makes loans to farmers unable to obtain credit from other sources for farm operating expenses and crop production, farm ownership and improvement, and for soil and water conservation activities. Loans are intended to strengthen the family-type farm and encourage better farming methods. These loan programs are financed by annual authorizations. The Administration may also insure a maximum of \$100 million a year in long-term mortgage loans under the farm ownership program and a maximum of \$25 million a year under the soil and water loan program.

New direct loans are expected to amount to \$180 million in 1957, compared with \$167 million in 1956. The increase reflects mainly \$15 million requested under proposed legislation for loans on small farms as a part of the expanded rural development program. The President is proposing legislation to broaden the authority under the Bankhead-Jones Farm Tenant Act to permit the Farmers' Home Administration to make loans for farm housing previously possible only under title V of the Housing Act of 1949, as amended. With this change, further extension of the authority for farm housing loans under title V beyond its present termination date of June 30, 1956, will not be necessary.

The volume of loans insured by the Farmers' Home Administration is expected to amount to \$81 million in both 1956 and 1957, compared to \$48 million in 1955. This increase reflects primarily the Administration's policy of putting greater emphasis on guaranteed loans, instead of on direct loans. The Secretary of Agriculture has authorized interest rates on insured farm ownership and soil and water loans of 4½ percent, of which one-half percent represents the insurance premiums and one-half percent a charge for administration.

The interest rate on most of the direct loans is 5 percent. Administrative expenses are covered by separate appropriations. Collections of interest and principal go into miscellaneous receipts of the Treasury.

The Farmers' Home Administration also administers a revolving fund from which emergency loans may be made to farmers and stockmen suffering from production disasters and unable to obtain credit from other sources. The interest rate is 3 percent on all loans except special livestock loans on which the rate is 5 percent. New commitments in 1957 are expected to be substantially below the 1956 and 1955 level, and repayments are estimated to exceed disbursements in both 1956 and 1957.

*Commodity Credit Corporation.*—In carrying out the Government's program of supporting prices of agricultural commodities, the Commodity Credit Corporation makes



direct loans to farmers, guarantees loans made by private lending agencies, and issues certificates of interest in its loans to private banks. Loans and guaranties enable farmers to market their commodities in an orderly manner and secure prices for such commodities in line with the standards set forth in law. Loans are backed by commodities and borrowers may discharge their obligations without personal liability by turning over pledged commodities to the Corporation. These forfeitures of collateral are treated as repayments of loans in this analysis. The Corporation also makes loans for the construction or improvement of farm-storage facilities.

The Corporation's borrowing authority was increased from \$10 billion to \$12 billion in 1956. No additional borrowing authority is requested for 1957. However, a \$929 million appropriation will be needed to restore the impairment of the Corporation's capital resulting from 1955 operations of the price support and related programs. New loan and loan guaranty commitments in the fiscal year 1957 are estimated at \$1,700 million which is over a billion dollars less than the estimate for 1956. Repayments of direct loans in 1957 are estimated at \$3,165 million, \$184 million more than estimated disbursements.

Interest rates on 1955 crop loans will be continued at 3½ percent. This rate is charged the borrower only if the loan is repaid in cash; if repaid by surrender of collateral, no interest is charged. In the case of guaranties, the private lender receives interest at the rate of 2½ percent, plus service charges.

#### FARM CREDIT ADMINISTRATION

The Farm Credit Administration supervises the Federal intermediate credit banks, production credit corporations, the Federal Farm Mortgage Corporation (in liquidation), the Federal land banks, and the banks for cooperatives. All except the Federal intermediate credit banks are either quasi-public agencies or relatively inactive in extending credit.

*Federal intermediate credit banks.*—The 12 Federal intermediate credit banks extend credit to production credit associations and privately capitalized farm-lending institutions by discounting short-term notes to help finance the production needs of farmers. To finance their operations, the banks sell short-term debentures to the public. The banks may have obligations outstanding of not more than 10 times their capital and surplus. Their capital and surplus can be increased by additional subscriptions from a revolving fund in the Treasury. The total obligational authority of \$1,123 million available on June 30, 1955, includes these increases in the banks' funds.

New commitments of these banks have risen steadily in recent years, mainly as a result of expanding farm production and rising costs. Reduced farm income and the resulting need to renew loans also have contributed to the rise in commitments. In 1957 they are expected to amount to \$2,085 million, which is almost 9 percent higher than in 1955. Repayments, however, will nearly cover disbursements, with net expenditures estimated at \$32 million.

Interest rates charged vary with the costs of funds to the individual banks, and on January 1, 1956, ranged from 3 to 3¼ percent. They are set high enough to cover all expenses. One-quarter of the net income of the banks is paid to the Treasury as a statutory franchise tax and the rest is added to their surplus and reserves, which on June 30, 1955, amounted to \$52 million.

#### EXPANSION OF DEFENSE PRODUCTION

Under the Defense Production Act, the President is authorized to make loans or advances or to guarantee loans for expansion of defense production. Numerous agencies participate in these programs. The Defense Production Act expires on June 30, 1956, but the President has requested its extension for 2 years.

*Loan guaranties.*—Under section 301 of the Defense Production Act, the Departments of the Army, the Navy, the Air Force, Commerce, the Interior, and Agriculture, the Atomic Energy Commission, and the General Services Administration are authorized to guarantee loans by public or private financing institutions to defense contractors and subcontractors. The Federal Reserve banks act as fiscal agents for the guaranties of private loans, and the procedure is governed by the Federal Reserve Board's regulation V. No specific limitation is placed on the amount of loan guaranties.

From the beginning of the program in September 1950 to the end of December 1955, more than 1,400 V-loans, totaling \$2.6 billion were authorized by the procurement agencies. More than 95 percent of the guaranties have been authorized by the Departments of the Air Force, the Army, and the Navy, primarily to speed the production of aircraft and aircraft parts, electronics and communication equipment, tanks, weapons, and ammunition. Guaranties by the General Services Administration to expand production of basic minerals and metals and machine tools account for nearly all of the remainder. The volume of new commitments will continue to decline in 1957 as expansion goals are being reached.

To cover administrative expenses and possible losses, charges are made for guaranties, depending upon the proportion of the loan guaranteed. This proportion has averaged about 75 percent. The guaranteed portion of loans must be purchased by the procurement agency upon request of the lender. So far, income has substantially exceeded expenses. Financing institutions may charge a maximum interest rate of 5 percent and a commitment fee of one-half to 1 percent.

*Loans and advances.*—Under section 302 of the Defense Production Act, the President is authorized to make direct loans or to participate in private loans for the expansion of industrial capacity, development of technological processes, or production of essential materials. The President has delegated this authority for loans to domestic borrowers to the Treasury Department since the liquidation of the Reconstruction Finance Corporation, and for foreign loans to the Export-Import Bank. The authority is available for borrowers upon certification by the appropriate defense agency as to essentiality to the defense effort. Most of the loans have been made to assist in expanding the production of copper, steel, and other basic minerals and metals. Loans by the Export-Import Bank account for only a relatively small part of the total. New loans in 1956 were made under Executive Order 10634 in connection with damage to defense production facilities by hurricanes and floods, primarily in the Northeastern States. No new commitments are expected in 1957, since most of the planned expansion is already underway. It is anticipated that a large part of the loan portfolio will be sold or refinanced privately in 1957, thus reducing loans and commitments outstanding from \$243 million in 1956 to \$78 million by the end of 1957.

Under section 303 of the same act, the General Services Administration makes advances on purchase commitments



for strategic minerals and metals and industrial equipment. No new advances are expected in the 3-year period.

Interest rates charged on both loans and advances are generally 5 percent. No net ultimate cost is expected.

#### SMALL BUSINESS ADMINISTRATION

The Small Business Administration was created in 1953, and is authorized to make loans to small businesses and to victims of disasters.

Loans to small businesses are authorized up to a total of \$150 million outstanding at any one time. The maximum loan to any one borrower is \$250,000, and maximum maturity generally 10 years. Loans may be made only if financial assistance is not otherwise available on reasonable terms and if there is reasonable assurance of repayment. Moreover, direct loans are made only where the extension of credit jointly with private banks is not possible. The budget assumes that the 1956 level of about 1,200 loans will continue in 1957. More than two-thirds of the loans made so far have been made jointly with private banks. The current interest rate on small business loans is 6 percent.

The Administrator also has broad authority to make loans to victims of floods or other disasters. Generally, his policy is to designate disaster areas, residents of which are eligible for special financial assistance. There is no limit on the amount that may be loaned to each borrower, but the aggregate outstanding at any one time may not exceed \$25 million. The President is recommending that this limitation be increased. Loans for housing may have maturities up to 20 years, but other loans are limited to 10 years. Interest rates on disaster loans are set by law at 3 percent. The Small Business Administration also administers disaster loans previously made by the Reconstruction Finance Corporation.

Appropriations of \$105 million have been made to finance the small business and disaster loans programs since the agency was established. An additional \$30 million will be needed to finance loans in 1957.

#### TREASURY DEPARTMENT

The only credit programs administered by the Treasury Department and included in this analysis are the liquidation of Reconstruction Finance Corporation loans and the 1947 loan to the United Kingdom. The Treasury Department is also authorized to make civil defense loans, up to \$250 million outstanding at any one time, upon certification by the Federal Civil Defense Administrator; however, no new commitments for civil defense loans are anticipated for 1956 and 1957.

*Reconstruction Finance Corporation.*—The Reconstruction Finance Corporation Liquidation Act provided for termination of the Corporation on June 30, 1954. The Corporation's foreign loans have been transferred for liquidation to the Export-Import Bank, certain mortgages to the Federal National Mortgage Association, disaster loans to the Small Business Administration, and business and public agency loans to the Treasury Department. During the 3-year period from June 30, 1954, to June 30, 1957, business and public agency loans and commitments will have been reduced from \$283 million to about \$58 million.

*Loan to United Kingdom.*—A loan of \$3,750 million was made to the United Kingdom in 1947 and 1948. It is a 50-year loan at 2-percent interest. Repayments of principal have been made on schedule, beginning in 1951. They are deposited directly in miscellaneous receipts and are not available for new loans.

#### EXPORT-IMPORT BANK OF WASHINGTON

The Export-Import Bank is the principal foreign lending agency of the Government. Its total loan and loan insurance authority is \$4.9 billion; in addition, it has \$100 million of authority to insure American exporters against certain risks of expropriation and confiscation. Its major goal is the expansion of trade between the United States and foreign countries. It extends loans to finance American exports and imports and the development of sources of strategic materials, and to promote the economic development of underdeveloped countries. The Bank also acts as an agent for the International Cooperation Administration in the Department of State in administering loans and makes a limited number of loans under authority of the Defense Production Act.

Increased emphasis is being placed by the Bank on guaranteeing loans, rather than making loans directly. The Bank has also instituted a system of extending lines of credit to approved exporters. Loan maturities vary from twelve or more months on export credits to a number of years on developmental loans. Interest rates vary with the type of loan and are directly related to prevailing yields on United States Government securities; they are lower on loans made to or guaranteed by a foreign government. Present rates range from  $3\frac{1}{2}$  percent on short-term export credits to 6 percent on certain long-term unguaranteed loans. Losses have been extremely small and income is more than adequate to cover costs; reserves amounting to \$365 million on June 30, 1955, have been set aside for future contingencies. Annual dividends are being paid to the Treasury at the rate of  $2\frac{1}{4}$  percent on capital stock.

#### DEPARTMENT OF STATE

The only credit program of the Department of State included in this analysis is that of the International Cooperation Administration. The Administration and its predecessor organizations—the Foreign Operations Administration, the Mutual Security Administration, the Economic Cooperation Administration, and the Technical Cooperation Administration—have made loans to foreign governments as part of a broad program to assist in the restoration of economic stability and to promote the economic development of underdeveloped areas in the free world.

More than half of the loans were made during 1949, shortly after passage of the Foreign Assistance Act of 1948. Most of the loans are administered by the Export-Import Bank as agent for the International Cooperation Administration. Their maturities are 28 years, except a loan to India which is for 30 years, and the basic materials development loans which are for 10 to 20 years. Interest charges on most outstanding loans are  $2\frac{1}{2}$  percent, with interest on some loans up to 5 percent. Costs of administering the loans are financed from funds available for the general administration of the agency. The first significant repayments begin in 1956.



## SPECIAL ANALYSIS G

## FEDERAL ACTIVITIES IN PUBLIC WORKS AND OTHER CONSTRUCTION

Information on Federal public works and other construction activities is presented in this analysis on an overall basis because these activities are an important part of the total construction activities of the Nation. Detailed information on each program is shown in part II of the budget under the agency responsible for the program. A reconciliation of the public works expenditures with the major categories of special analysis D, entitled "Investment, operating, and other budget expenditures" is shown on page 1139.

Direct Federal construction currently constitutes about 8 percent of total construction in the United States, and federally aided State and local construction represents another 4 percent. Most of the public works facilities and structures are built by the private construction industry under contracts with Federal, State, or local agencies. Substantial amounts of private construction also result from Federal assistance and incentives to private organizations and individuals.

This analysis describes the various Federal construction activities, and the tables on pages 1140 to 1144 summarize the authorizations and expenditures for direct Federal construction and for grant and loan programs to aid State and local construction. Some of the various forms of Federal assistance to private construction activities are also indicated in the narrative statement, but the Federal cost of this assistance is not included in the figures on public works expenditures.

The expenditures shown for public works in this analysis are budget expenditures rather than the value of the work put in place during the year. Although budget expenditures for a continuing program approximate the value of work put in place on federally owned projects, they include only the Federal portion of the cost of the State and local public works aided. The non-Federal portion of the total cost of Federal grant programs for public works approximately equals the Federal share, but for individual projects or governmental units this share may vary substantially.

The volume and types of Federal construction vary from year to year as national needs and objectives change. Economic conditions and fiscal policies, the level of construction costs, and the magnitude of State, local, and private construction also affect the Federal program.

Total Federal expenditures for public works are estimated to increase from \$4.2 billion in the fiscal year 1956 to \$4.5 billion in 1957. Although expenditures for military public works and atomic-energy construction are expected to decline by \$62 million, this will be more than offset by an increase of \$364 million in civil public works expenditures, including direct Federal construction and grant and loan programs. The increases in direct Federal construction are largely the result of progress on construction of water-resources projects, started in 1955 and 1956, and new public-building projects to be started in 1957. Increases in Federal-aid expenditures reflect principally the proposed program of Federal assistance for general school construction.

TABLE 1.—Total Federal public works expenditures

[In millions]

Type	1955 actual	1956 estimate	1957 estimate
Civil public works:			
Federally owned projects.....	\$1,024	\$1,040	\$1,144
Grants to State and local governments.....	776	897	1,124
Loans to State and local governments (net).....	85	36	69
Total, civil public works.....	1,715	1,973	2,337
Major national security public works:			
Military public works.....	1,612	1,922	1,870
Atomic energy and other construction.....	795	330	320
Total, major national security public works.....	2,407	2,252	2,190
Total, all Federal public works.....	4,122	4,225	4,527

\* Deduct, excess of repayments over loans.

NOTE.—Totals may not add due to rounding.

## CIVIL PUBLIC WORKS

The term "civil public works" as used in this analysis includes all those public construction activities, financed or aided by the Federal Government, which are required for the civil functions of the Nation, as distinguished from those works required for major national security programs. Expenditures for civil public works in 1957 reflect the administration's partnership policy in the development of natural resources and other public works. This policy is carried on by relying on private initiative wherever possible, by encouraging State and local interests to formulate plans and to undertake developments on their own responsibility, by sharing in the costs where national responsibilities are involved, and by undertaking as Federal developments those essential projects which are clearly within the area of Federal responsibility. The budget for the fiscal year 1957 includes some new and expanded public works programs for enhancing the economic growth and well-being of the Nation.

Table 2 summarizes expenditures for civil public works for the fiscal years 1955, 1956, and 1957, by Federal agency.

TABLE 2.—Summary of expenditures for civil public works by agency<sup>1</sup>

[In millions]

Agency	1955 actual	1956 estimate	1957 estimate
Corps of Engineers.....	\$393.6	\$423.4	\$449.0
Tennessee Valley Authority.....	217.1	106.8	64.1
Department of the Interior:			
Bureau of Reclamation.....	128.5	134.7	161.3
Bonneville Power Administration.....	33.3	27.7	24.4
Office of Territories.....	24.8	31.0	28.1
Other Interior.....	37.8	63.9	74.3
St. Lawrence Seaway Development Corporation.....	2.9	12.9	41.7
Bureau of Public Roads.....	621.6	762.2	812.8
Housing and Home Finance Agency:			
Low-rent public housing:			
Loans.....	215.4	413.7	472.9
Repayments.....	313.0	404.0	463.1
Defense housing and other (net).....	10.3	16.9	39.9
Department of Health, Education, and Welfare.....	168.2	131.8	261.7
Veterans Administration.....	29.2	36.3	55.0
Department of Agriculture.....	61.3	79.1	79.5
Civil Aeronautics Administration.....	17.5	36.6	70.7
General Services Administration.....	13.5	29.6	42.7
Architect of Capitol.....	2.1	17.8	42.1
Other.....	50.7	52.4	80.1
Total.....	1,714.8	1,972.8	2,337.2

\* Deduct.

<sup>1</sup> Nonconstruction costs excluded; proposed legislation included.



## CONTINUING AND NEW WORK

Table 3 classifies civil public works according to whether they are continuing or new, and indicates the amounts required after the fiscal year 1957 to complete the work programed in this budget.

TABLE 3.—Estimated cost of the 1957 civil public works program, by new and continuing work

[In millions]

Program	Total estimated cost	Expenditures		
		Cumulative to June 30, 1956	1957 estimate	Required to complete
<b>Continuing work:</b>				
Direct Federal construction:				
Corps of Engineers.....	\$6,499.6	\$3,290.6	\$423.0	\$2,786.0
Bureau of Reclamation.....	3,398.0	2,205.4	142.9	1,049.7
Tennessee Valley Authority.....	769.8	740.7	15.2	13.9
Proposed legislation.....	24.5		17.5	7.0
Veterans' hospitals.....	986.3	866.0	46.6	73.7
Other.....	2,442.0	950.9	338.1	1,153.0
Total, direct Federal construction.....	14,120.2	8,053.6	983.3	5,083.3
Grant commitments:				
Federal-aid highways.....	1,909.8		786.8	1,123.0
Grants for hospitals.....	114.2	57.7	24.7	31.8
Grants for schools.....	259.2	184.3	51.6	23.3
Airport and other grants.....	422.4	89.4	84.0	249.0
Total, grants.....	2,705.6	331.4	947.1	1,427.1
Total, continuing work.....	16,825.8	8,385.0	1,930.4	6,510.4
<b>New projects, features, and commitments in 1957:</b>				
Direct Federal construction:				
Corps of Engineers.....	243.5	5.2	13.0	225.3
Proposed legislation.....	110.0		2.5	107.5
Bureau of Reclamation.....	35.3	.2	3.0	32.1
Proposed legislation.....	1,149.4		8.6	1,140.8
Tennessee Valley Authority.....	72.1	.6	23.9	47.6
Proposed legislation.....	44.0		6.6	37.4
Veterans' hospitals.....	54.2	.3	7.0	46.9
Department of State.....	65.6		6.7	58.9
Civil Aeronautics Administration.....	40.0		5.3	34.7
Bureau of Standards.....	40.1		1.5	38.6
General Services Administration.....	35.0		19.4	15.6
Office of Education (proposed).....	16.0		1.0	15.0
Other.....	158.4	.6	36.9	120.9
Total, Direct Federal construction.....	2,063.6	6.9	135.4	1,921.3
Grant commitments:				
Grants for hospitals.....	60.2	2.2	12.1	45.9
Grants for airports.....	63.0			63.0
Federal-aid highways (proposed).....	860.0			860.0
Office of Education (proposed):				
School construction assistance program.....	375.5		150.0	225.5
School assistance for federally affected areas.....	104.0		4.0	100.0
Partnership projects (proposed):				
Corps of Engineers.....	10.0		5.0	5.0
Bureau of Reclamation (includes loans).....	10.0		4.4	5.6
Other.....	4.0		4.0	
Total, grant commitments.....	1,486.7	2.2	177.3	1,307.2
Total, new projects, features, and commitments.....	3,550.3	9.1	314.9	3,228.3
<b>Advance planning:</b>				
Corps of Engineers.....	21.8	7.0	5.4	9.4
Bureau of Reclamation.....	26.6	21.0	2.4	3.2
General Services Administration.....	38.2	7.1	11.1	20.0
Other.....	25.6	8.1	6.7	10.8
Total, advance planning.....	112.2	43.2	25.6	43.4
Total, continuing, new and advance planning.....	20,488.3	8,437.3	2,270.9	9,780.1
<b>Continuing loan programs:</b>				
Low rent housing:				
Gross.....			472.9	
Repayments.....			463.1	
Other (net).....			56.1	
Total, loans.....			65.9	
<b>New loan commitments:</b>				
Office of Territories.....			.4	
Total, civil public works (net).....			2,337.2	

<sup>a</sup> Deduct.

<sup>1</sup> Includes outstanding obligations and unobligated balances as of June 30, 1956.

Approximately 83 percent of the total expenditures for Federal civil public works in the fiscal year 1957 will be for projects and programs started in earlier years. Expenditures for continuation of this work in 1957 are estimated at \$1.9 billion, with \$6.5 billion required in later years to complete. Included in this continuing work are a number of direct Federal water resources projects and several programs for the development of other natural resources such as construction of roads and facilities in the national forests and parks which will require a number of years to complete. Also included in continuing work are the grants to States for the Federal share of the work to be done on Federal-aid highways under apportionments made through the fiscal year 1956.

Expenditures for new projects and programs in 1957 are estimated at \$315 million, with \$3.2 billion required thereafter to complete. A total of 77 authorized water resources projects are recommended for starting in 1957. Under proposed legislation, the Bureau of Reclamation will undertake additional comprehensive water resource developments, the Corps of Engineers will start new navigation facilities, a new Federal assistance program for general school construction will be inaugurated, the Tennessee Valley Authority will begin construction of two additional steam-electric generating units, and a number of new buildings for the use of the Federal Government will be undertaken. Funds are also included under proposed legislation for Federal participation in 1957 in partnership water resources projects.

#### INVESTIGATIONS AND STATUS OF PLANNED AND AUTHORIZED PROJECTS

Efficient and economical design and construction of public works require adequate basic data and surveys and careful preparation of plans for these facilities prior to construction. Effective use of public works for counter-cyclical purposes also requires that they be planned well in advance so as to be available for undertaking when economic conditions and budgetary policy warrant. Construction expenditures in this analysis do not include costs of basic data collection and preliminary surveys; however, they do include detailed project planning costs.

**Basic data.**—The programs for collection of basic data are designed to meet a wide variety of nationally important needs, as well as to provide data for use in the investigation and planning of Federal and other construction projects. A total of \$54 million is recommended in the fiscal year 1957 for general coverage data collection including geodetic surveys and topographic mapping, geologic and soil surveys, and assembly of hydrologic and climatologic data.

**Preliminary surveys and investigations.**—Careful preliminary investigation is necessary to determine the need for projects and their engineering and economic feasibility. Inadequate examination of the factors involved in project formulation before authorization may result in approval of projects having questionable justification or in seriously underestimating project costs. Appropriations and allotments totaling \$15 million are included for the fiscal year 1957 for preliminary investigations of river basin and other construction programs. In addition, \$1 million is included under proposed legislation for a survey to determine whether hydroelectric power can be economically developed from the tides at Passamaquoddy Bay.

**Detailed planning.**—Preparation of project plans in advance of construction provides for orderly programing of project construction and may prevent expensive changes



in project designs during the construction period. Such planning also provides an opportunity to verify the economic feasibility of projects, as well as their estimated cost, before construction is started. Funds for advance preparation of plans in the fiscal year 1957 are estimated at \$26 million. This total includes \$8 million to enable the Corps of Engineers and the Bureau of Reclamation to plan a number of projects already authorized by the Congress. Planning will also be underway on some Federal hospitals and buildings. In addition, a substantial amount of planning is carried on as construction progresses on large water resources projects.

The budget also provides \$12 million of new authority under the Housing Amendments of 1955 for the Housing and Home Finance Agency for repayable advances to State and local agencies for the planning of their public works.

*Authorized reserve.*—An adequate authorized reserve of soundly conceived projects is necessary to permit a wise selection of projects for starting in accordance with program needs and economic and budgetary requirements. Agency reports indicate that, on the basis of present costs, \$10.3 billion of work has been authorized, either by general or specific legislation, and is scheduled in the agencies' advance programs. About \$8 billion of this authorized work is included in the river basin programs of the Corps of Engineers and the Bureau of Reclamation.

TABLE 4.—Reserve of authorized projects and programs after fiscal year 1957, by agency

	Total cost of projects (billions)
Projects authorized by specific legislation:	
Corps of Engineers.....	\$5.8
Bureau of Reclamation.....	2.3
Other agencies.....	.1
Projects or programs considered to be authorized by general legislation:	
Civil Aeronautics Administration.....	.3
Forest Service.....	.9
National Park Service.....	.2
Other agencies.....	.7
Total.....	10.3

*Planned projects.*—By the end of the fiscal year 1956 Federal agencies will have an estimated \$0.8 billion of authorized Federal projects planned to a stage where construction could be started, and advance planning in various stages of completion on an additional \$3.8 billion. Comparable totals for 1957 are estimated at \$1.5 billion and \$3.6 billion, respectively. Most of this planned reserve consists of water resources projects. By the end of 1957, the Corps of Engineers will have completed planning on about \$529 million of work on which construction will not have started, and the Bureau of Reclamation, about \$518 million. In addition, the Corps of Engineers will have planning in process on another \$2.1 billion of work, and the Bureau of Reclamation will have planning underway on \$723 million of work. A substantial amount of planning

will also have been done by State and local agencies on highways, airports, and hospitals for which Federal grants are authorized.

#### PROGRAMS BY MAJOR FUNCTION AND TYPE OF FACILITY

Civil public works expenditures are listed in table 5 according to the major functions used in this budget for the classification of Federal programs, with subclassifications according to the type of facility involved. Most functions require some public works. In some functions, expenditures for public works represent only a small part of the total cost of the functional program. In other functions such as natural resources, over one-half of the expenditures are for various types of construction. About 75 percent of total civil public works expenditures in 1957 will be for natural resources and transportation programs.

#### NATURAL RESOURCES

The natural resources programs include the multiple-purpose control and development of rivers and streams for flood control, irrigation, hydroelectric power, municipal water supply and other purposes, and the conservation and development of land, forest, mineral, recreational, and fish and wildlife resources. Public works expenditures for these purposes will amount to \$688 million in 1957, compared with \$707 million in 1956, which includes \$32 million for the flood disaster relief work in the Northeastern States. By far the largest proportion of these expenditures is for water resources developments.

*Corps of Engineers.*—The water resources program of the Corps of Engineers is nationwide in scope, except for the Tennessee Valley area. It involves the construction of multiple-purpose storage reservoirs for flood control, hydroelectric power and related purposes; the construction of protecting levees and flood walls; the improvement of floodways; and beach erosion control works. Navigation projects of the Corps of Engineers are discussed in this analysis under the commerce and housing section.

In 1957, construction will be continued on 22 multiple-purpose projects, including work on 2 additional power-generating units at Garrison Reservoir, 96 predominantly flood-control projects, and 6 beach erosion projects. The multiple-purpose projects are widely distributed throughout the country. In flood-control work, emphasis will be given to the acceleration of protective works in the northeast which are to be started in 1956, and to the continuation of construction on the Mississippi River and its principal tributaries, particularly the Missouri. Large flood-control projects are also underway in the Los Angeles and Central Valley areas of California and in central and southern Florida. Seven projects now underway will be completed in 1957.

TABLE 5.—Federal civil public works expenditures by major function and type of facility <sup>1</sup>

[In millions]

Major function and type of facility	1955 actual	1956 estimate	1957 estimate
Veterans' services and benefits.....	\$33.4	\$40.8	\$60.1
Veterans' hospitals and other facilities.....	29.2	36.3	55.0
Cemeteries and memorials.....	4.2	4.5	5.1
International affairs and finance.....	4.8	6.8	9.3
Radio facilities.....	1.0	( <sup>b</sup> )	.4
Department of State and foreign service buildings.....	3.8	6.8	8.9
Labor and welfare.....	171.2	148.6	279.2
Hospitals and health centers.....	37.5	46.6	53.4
Medical research facilities.....	3.2	3.6	3.3
Schools.....	129.2	94.1	213.4
Other research facilities and museums.....	.6	2.5	4.5
Federal prison facilities.....	.7	1.8	4.6
Agriculture and agricultural resources.....	42.8	56.6	55.8
Grain storage facilities.....	27.1	31.5	33.0
Research facilities.....	3.2	7.2	1.6
Watershed and flood protection works.....	12.5	17.9	21.2
Natural resources.....	779.7	707.2	687.5
Water resources and related developments for irrigation, flood control, navigation and power.....	727.9	626.0	598.4
Forest roads and other structures.....	20.3	26.4	28.3
Roads, buildings and utilities on Indian lands.....	13.9	18.3	16.7
Helium plant and laboratories.....	.5	3.1	3.7
Fish hatcheries and wildlife refuges.....	2.6	2.8	2.6
Parkways, roads and utilities in national parks.....	14.5	30.3	34.8
Anthracite mine drainage facilities.....		.3	3.0
Commerce and housing.....	661.1	963.2	1,134.8
Water navigation aids and facilities.....	53.8	88.3	154.9
Federal-aid highways.....	583.7	727.3	786.8
Forest highways and other roads.....	37.9	34.9	26.0
Airports.....	8.8	24.2	51.7
Air navigation facilities.....	8.7	12.4	19.0
Aeronautical research facilities.....	21.9	12.0	11.0
Community facilities (net).....	5.8	8.4	18.7
Public works in Alaska and Virgin Islands.....	24.0	30.0	27.2
Low-rent public housing:			
Loans.....	215.4	413.7	472.9
Repayments.....	313.0	404.0	463.1
Defense housing.....	1.9	2.9	1.0
Civil defense construction.....		.6	2.0
College housing (net).....	7.9	12.5	26.7
Synthetic rubber facilities.....	4.3		
General government: Government buildings and facilities.....	21.8	49.5	110.5
Total, civil public works.....	1,714.8	1,972.7	2,337.2

<sup>a</sup> Deduct.<sup>b</sup> Less than \$50,000.<sup>1</sup> Nonconstruction costs excluded; proposed legislation included.

Eighteen new local flood-protection projects, which will provide benefits primarily to urban and industrial areas, are recommended for starting in 1957. Six of these will be completed within that year. Eleven new flood-control reservoirs will be initiated in 1957, one of which will be completed within the year. Two beach erosion projects will be started and funds are also provided for initiation of work on a second powerplant at Fort Peck Dam in Montana.

**Bureau of Reclamation.**—The Bureau's program for development of water resources for irrigation and other purposes in the 17 Western States consists primarily of continuation of construction on 53 irrigation and power projects, including 22 units of the Missouri River Basin program. Two of these projects and one of the Missouri River Basin units will be completed during the fiscal year 1957. Rehabilitation work on 10 reclamation projects constructed in prior years is also scheduled for the 1957 program. About three-fourths of the recommended funds will be for the following 12 major developments: Palo Verde diversion project in Arizona-California; Central

Valley, Santa Maria, and Solano projects in California; Palisades project in Idaho; Weber Basin project in Utah; Columbia Basin project in Washington; Bostwick division in Nebraska-Kansas; Glendo unit in Wyoming; Helena Valley and Yellowtail units in Montana; and additions to the electric power transmission system in the Missouri River Basin.

Bureau of Reclamation facilities scheduled for completion in 1957 will provide a full water supply for 184,000 new acres and supplemental water for 689,200 acres of presently irrigated lands.

The 1957 budget also provides funds for initiation of construction by the Bureau of Reclamation on the Collbran project, Colorado, and the Talent division of the Rogue River Basin project, Oregon, as well as powerplants and related facilities on the Colorado-Big Thompson project, Colorado, and Weber Basin project, Utah. In addition, funds are recommended under proposed legislation for initiation of construction of the comprehensive Upper Colorado River development in the States of Arizona, Colorado, New Mexico, Utah, and Wyoming; the Fryingpan-Arkansas project in Colorado; the Ventura project in California; the Juniper division of the Wapinitia project in Oregon; and the Washoe project in Nevada-California. The total cost of these five developments is estimated at \$1.1 billion. Appropriations of \$20 million will be required for the initial year of construction, with first-year expenditures estimated at \$8.6 million.

**International Boundary and Water Commission.**—This Commission participates with a similar agency of Mexico in the construction of water conservation and control facilities on the Rio Grande River. The 1957 program of the Commission consists of continuation of construction of Anzalduas Dam, started in 1956.

**Tennessee Valley Authority.**—The water resources development program of the Authority is generally similar to that of the Corps of Engineers except that it is confined to the Tennessee River Basin. In addition to hydroelectric facilities, most of them associated with multiple-purpose projects, the agency has a number of steam-electric generating stations and an electric power transmission system. Power from these facilities and from hydroelectric plants of the Corps of Engineers in the Cumberland River Basin is used to supply the needs of consumers, including the Atomic Energy Commission, throughout the TVA power area.

The 1957 construction program of the Authority provides for starting construction of two additional steam-electric generating units at the Johnsonville steam plant and continuation of construction of one unit proposed to be started in 1956 at the John Sevier steam plant. Funds are also provided to start construction of a new navigation lock at Wilson Dam and of additional fertilizer manufacturing facilities. Budget expenditures in 1957 for construction of TVA facilities are estimated at \$64 million.

**Summary of Federal electric power activities.**—A substantial part of the construction under Federal water resources development programs includes provisions for generation of electric power. This power is produced by hydroelectric facilities included in multiple-purpose reservoir projects such as those constructed by the Corps of Engineers, the Bureau of Reclamation, and the Tennessee Valley Authority. In addition, the TVA has steam-electric generating plants in operation and under construction.

Generating capacity installed by Federal agencies now amounts to 17.33 million kilowatts, or about 16 percent



of the total capacity of the class I utility systems in the United States. An additional 2.68 million kilowatts of capacity is scheduled for completion during the calendar years 1956 and 1957, which will bring the total Federal capacity to 20.01 million kilowatts. When all projects now under construction or programed in the budget are completed, total capacity will be about 23.12 million kilowatts.

TABLE 6.—*Federal electric power generating capacity, in operation and presently scheduled (nameplate capacity)*

[Million kilowatts]		
Agency	Dec. 31, 1955	Total scheduled
Corps of Engineers.....	3.69	7.66
Bureau of Reclamation.....	4.97	5.52
Tennessee Valley Authority.....	8.64	9.91
International Boundary and Water Commission.....	.03	.03
Total.....	17.33	23.12

In the fiscal year 1957 additional transmission lines required for the integration and marketing of federally produced power will be constructed by the Bonneville Power Administration, the Bureau of Reclamation, and the Tennessee Valley Authority. A total of 1,082 miles of transmission lines will be added to existing Federal systems during that year, bringing the total in operation to about 27,200 miles. Expenditures in 1957 for these facilities will be \$62 million.

*Federal participation in partnership water resources projects.*—In line with the administration's policy of participating with non-Federal interests in the development of water resources where national interests are involved, this budget includes \$20 million under proposed legislation to enable the Bureau of Reclamation and the Corps of Engineers to participate in 1957 in new partnership undertakings such as the Green Peter-White Bridge Reservoir in Oregon, the John Day Reservoir in Washington and Oregon, and the Bruce Eddy Reservoir in Idaho. It is expected that the Federal Government will construct or finance the nonpower aspects of these projects. Assistance will be given to other partnership projects as specific proposals are developed. In addition, the Markham Ferry project in Oklahoma for which the Federal share of the cost was provided in 1956, is expected to be under construction by non-Federal interests in 1957. Work on the Cougar multiple-purpose project in Oregon, begun as a Federal project in the fiscal year 1956, will continue on a basis which, under pending partnership legislation, will permit local interests to install power facilities.

*Summary of water resources and related developments.*—While the major part of water resources development is classified under the natural resources function, other water resource developments are carried out under programs for agriculture and agricultural resources and commerce and housing. Expenditures for all of these water resources and related developments are brought together in table 7.

*Other natural resources programs.*—Expenditures for other public work programs under the natural resources function will amount to \$89 million in the fiscal year 1957, as compared with \$81 million in 1956. Work under these programs includes construction of roads and trails in the national forests, national parks and on other public lands, and continuation of work on 6 national parkways. Provision is also made for the construction of buildings, utilities, and other facilities to help accommodate the increasing number of visitors at the 181 national park and monument

TABLE 7.—*Expenditures for water resources and related development*<sup>1</sup>

[In millions]				
Type	Functional code No.	1955 actual	1956 estimate	1957 estimate
Predominantly single-purpose projects:				
Flood control works:				
Bureau of Reclamation.....	401	\$8.6	\$5.3	\$1.8
Corps of Engineers.....	401	102.2	157.1	177.9
Department of Agriculture.....	354	12.2	17.6	20.9
International Boundary and Water Commission.....	401	-----	.6	2.0
Total flood control works.....		123.0	180.6	202.6
Beach erosion control: Corps of Engineers.....	401	-----	3.5	.5
Irrigation and water conservation works:				
Bureau of Reclamation.....	401	70.7	83.4	97.8
Department of Agriculture.....	354	.3	.4	.3
Bureau of Indian Affairs.....	401	3.7	4.2	2.6
Total, irrigation works.....		74.7	88.0	100.7
Navigation facilities:				
Corps of Engineers.....	452	50.2	73.6	103.5
Proposed legislation.....	452	-----	-----	2.5
Saint Lawrence Seaway Development Corporation.....	452	2.9	12.9	41.7
Tennessee Valley Authority.....	401	.2	.6	6.2
Total, navigation facilities.....		53.3	87.1	153.9
Total, predominantly single-purpose projects.....		251.0	359.2	457.7
Multiple-purpose dams and reservoirs with hydroelectric power facilities:				
Tennessee Valley Authority.....	401	6.0	2.7	-----
Bureau of Reclamation.....	401	33.1	29.2	45.3
Partnership projects.....	401	-----	-----	4.4
Corps of Engineers.....	401	241.1	189.2	159.6
Partnership projects.....	401	-----	-----	5.0
International Boundary and Water Commission.....	401	1.4	1.9	-----
Total, multiple-purpose facilities.....		281.6	223.0	214.3
Steam-electric powerplants: Tennessee Valley Authority.....	401	181.6	79.1	32.4
Power transmission facilities:				
Tennessee Valley Authority.....	401	27.9	21.5	24.1
Bureau of Reclamation.....	401	16.1	16.8	12.0
Bonneville Power Administration.....	401	33.3	27.7	24.4
Southeastern Power Administration.....	401	-----	(b)	-----
Southwestern Power Administration.....	401	.6	.3	1.0
Total, power transmission facilities.....		77.9	66.3	61.5
Total, water resources and related development.....		792.1	727.6	765.9

<sup>a</sup> Less than \$50,000.

<sup>1</sup> Nonconstruction costs excluded; proposed legislation included.

areas. Construction by the Bureau of Indian Affairs includes work on about 500 miles of roads and trails, on irrigation systems, and on buildings and utilities needed principally for the Indian educational program. The program of the Fish and Wildlife Service includes continuation of construction of the Devil's Kitchen Dam on the Crab Orchard wildlife refuge. The Bureau of Mines will continue construction of helium production facilities, and will make further grants to the State of Pennsylvania for drainage of anthracite mines.

#### COMMERCE AND HOUSING

The public works activities under this function include various transportation facilities, housing and community development, and construction of civil defense facilities. Transportation facilities constructed or financed by the Federal Government include highways and roads, air and water navigation aids and facilities, and the Alaska Railroad. Expenditures for transportation facilities, amounting to \$1,073 million, account for 46 percent of the expenditures for civil public works in 1957.



*Public roads.*—The Bureau of Public Roads administers a program of grants to States to aid in the construction of highways, and also constructs highways in the national forests and on other public lands. Pending final determination of the amounts required for the President's Interstate Highway program, the dollar estimates included in this budget under proposed legislation cover only the continuance of the Federal-aid highway program at the annual level authorized in the 1954 act. Expenditures for grants under the present program are estimated to be \$787 million in 1957. The Federal-aid highway systems now have a combined total length of about 742,000 miles. Other highway and road expenditures by this agency will provide in 1956 and 1957 for construction and improvement of some 895 miles of forest highways, which link with the principal highway systems of the Nation, as well as for access roads.

*Water navigation aids and facilities.*—The largest expenditures in this area are by the Corps of Engineers. Navigation projects of the Corps include improvement of channels and harbors, construction of locks, dams, canals, and alteration of obstructive bridges, as well as navigation features of some multiple-purpose projects. In 1957, construction will be continued on 61 navigation projects, including 14 channel and harbor projects, 1 lock and dam, and 1 bridge which will be substantially completed in that year. Construction will be initiated on 13 new channel and harbor projects (including 1 project under proposed legislation), 1 bridge, and 28 small projects costing less than \$150,000 each. Four of the new channel and harbor projects and all of the small projects will be completed in 1957.

The Saint Lawrence Seaway Development Corporation is constructing that part of the Saint Lawrence Seaway which is in United States territory. Related navigation improvements are being built by Canada, and the power development of the Saint Lawrence River is being constructed by the State of New York and the Province of Ontario. Estimated Federal expenditures in 1957 on construction of the seaway amount to \$42 million.

*Airports and air navigation and research facilities.*—Expenditures by the National Advisory Committee for Aeronautics for research facilities are expected to decline as a result of the completion of the \$75 million Unitary Plan wind tunnel program initiated in 1950. Projects proposed in the 1957 budget include new facilities for studying flight at hypersonic speeds, improvement of existing facilities to permit testing at higher altitudes and higher temperatures, and other improvements in research facilities at the Langley, Ames, and Lewis laboratories. The total cost of the proposed facilities is estimated to be \$15 million.

Under an expanded program of Federal grants-in-aid for the construction of airports, projects will be programmed at approximately 420 airports during 1957. Expenditures for this program in 1957 are estimated at \$50 million. Expenditures for installation of air navigation facilities throughout the Nation will increase to \$19 million. Work on the previously authorized expansion of the Washington National Airport will be virtually completed in 1957.

*Other transportation facilities.*—The Office of Territories will continue construction in 1957 on highways in Alaska and on the Alaska Railroad, and will spend \$17 million for these purposes. Funds are also provided for construction of the Jones Point Bridge over the Potomac River near the District of Columbia.

*Housing and community facilities.*—The Federal Government encourages the construction of low-rent public

housing units through loans to local housing authorities. The 1957 budget contemplates starting construction of 35,000 units as compared with an estimated 25,000 units in 1956. In addition, it is estimated that 23,000 units will be completed in 1957 compared with 17,000 in 1956. The Housing and Home Finance Agency will provide loans to colleges and universities for the construction of dormitories and other facilities in those instances where private financing is not available. Gross loans in 1957 are estimated to amount to \$60 million, of which \$27 million will be to public institutions. Other expenditures consist largely of payments on grant commitments for defense community facilities, loans for public facilities under the Housing Amendments of 1955, and provision of public works in Alaska and the Virgin Islands.

*Civil defense.*—Under this program, financial assistance is provided to States and localities for the construction and renovation of emergency control centers and civil defense training facilities. Expenditures in 1957 are estimated at \$2 million.

#### VETERANS' SERVICES AND BENEFITS

Under the hospital program of the Veterans Administration, authorized in 1947 and subsequent years, 71 new hospitals and 11 conversions of existing hospitals have been completed. Construction of new facilities at Topeka, Kans., and Houston, Tex., will continue, and construction of neuropsychiatric hospitals at Cleveland, Ohio, and in the San Francisco Bay area, California, will begin in 1957. The two remaining general hospitals, for Washington, D. C., and Cleveland, Ohio, are scheduled for construction after 1957, although the 1957 budget includes funds for preparation of architectural drawings.

Of the four replacement projects currently contemplated, the one at Long Beach, Calif., is now being designed and will be under construction in 1956; the first phase of construction at Downey, Ill., will begin in 1957; and the architectural drawings for the Jackson, Miss., and Oakland, Calif., projects are scheduled to be started in 1957.

Other activities under this function include work by the Quartermaster General of the Army to maintain existing monuments and cemeteries and to provide additional grave sites, and construction by the American Battle Monuments Commission on 14 cemeteries in foreign countries. Construction of a memorial in Hawaii and one each on the east and west coasts of the United States are also proposed.

#### INTERNATIONAL AFFAIRS AND FINANCE

Public works activities under this function provide for starting construction of office buildings and living quarters, where necessary, for the United States Government abroad. In addition, provision is made for remodeling and construction of an addition to the State Department building in Washington, D. C., at a total estimated cost of \$58 million.

#### LABOR AND WELFARE

*Health facilities.*—The Department of Health, Education, and Welfare administers a program of grants to States to aid in the construction of hospitals and other medical facilities. Only the grants made to public agencies are included as public works in this analysis; those for private facilities are shown in table 8. Expenditures in 1957 for



grants to public agencies will amount to \$37 million, or 45 percent of total medical facilities grants.

The Department's health programs also include, in 1957, construction of hospital and other medical facilities for the Indian population, and a new maximum security building and major repair and rehabilitation work at St. Elizabeths Hospital, Washington, D. C.

*Education and research facilities.*—Legislation to authorize a new 5-year program of general assistance for school construction is recommended. The budget includes \$375.5 million of new obligational authority for this program in 1957, with expenditures estimated at \$150 million. Although part of this money might be used to purchase local school bonds and to help establish reserve funds to help assure payments of obligations issued by State school-financing agencies, the whole amount is classified under grants-in-aid in this analysis. A 2-year extension of Public Law 815, which authorizes Federal grants for school construction in defense areas and districts burdened by Federal activities, is also proposed. Expenditures for school construction assistance in federally affected areas are estimated at \$94 million in 1956 and \$63 million in 1957.

*Prison facilities.*—The 1957 construction program for the Federal Prison System includes 2 new penal institutions and various minor projects at 13 institutions. Other construction, by Federal Prison Industries, Incorporated, will provide maximum employment and training opportunities for prisoners.

#### AGRICULTURE AND AGRICULTURAL RESOURCES

The Department of Agriculture, in 1957, will continue the program of upstream flood-prevention work, including construction of diversion ditches, floodways, and flood-water-retarding structures, in the 11 watershed areas authorized under the 1936 Flood Control Act, and will also continue work in a number of small pilot watershed treatment areas for which funds were first appropriated for the fiscal year 1954. An increase in funds is provided in 1957 for the new program started in 1955 under the Watershed Protection and Flood Prevention Act. Under this act the Department provides technical and financial assistance to States and local groups for works of improvement in upstream watersheds to prevent damages from soil erosion, floodwater, and sedimentation, and to further the conservation, development, utilization, and disposal of water. Total expenditures of the Department in 1957 on works of improvement under these three programs will amount to \$21 million.

Other construction work by the Department of Agriculture in 1957 includes more adequate facilities for research and for further development of the National Arboretum.

#### GENERAL GOVERNMENT

Public works classified under this function include the construction and major alteration and improvement of administrative and other buildings required to carry on the Government's business. The 1957 program contemplates starting a new headquarters for the Central Intelligence Agency. Also proposed are (1) the initiation of a general program of air conditioning of Government buildings where warranted by climatic conditions, and (2) the remodeling for general office use of those buildings which the Post Office Department will no longer need as new buildings become available under its lease-purchase

program. The lease-purchase programs carried on by the General Services Administration and the Post Office Department are discussed in a later section on "Other Federal activities in construction."

Other direct Federal construction in this category includes continuation of work on new office buildings for the Senate and House of Representatives, and extension and reconstruction of the central portion of the Capitol.

In addition, the Federal Government provides assistance, through grants and loans, for construction of various facilities in the Territories and the District of Columbia. The Office of Territories will assist in construction of a high school, rehabilitation of the civil auditorium, and other improvements in Samoa; and rehabilitation or construction of schools, hospitals, power-plants, and various other facilities in the Pacific Islands Trust Territory. Federal loans assist the District of Columbia in a program of general public improvements.

#### MAJOR NATIONAL SECURITY CONSTRUCTION

*Department of Defense, military public works.*—The military public works program includes both overseas and domestic operational, tactical, logistical, training, and testing facilities for the Air Force, Army, and Navy. Additional facilities are also being constructed for the civilian components reserves and the National Guard.

In the fiscal years 1956 and 1957, emphasis will be placed on the further development of those Navy airfields used for training and for operation of jet aircraft and the provision of facilities for berthing and dry-docking the large-type aircraft carriers. The Air Force will continue the construction of strategic and air defense installations, including expansion and modification of the aircraft control and warning system. The Army will concentrate on construction of antiaircraft guided missile facilities. Family and troop housing, community facilities, and a moderate amount of replacement construction are also included in these service programs.

Expenditures for the above purposes are estimated at \$1.9 billion in each of the fiscal years 1956 and 1957.

*Atomic Energy Commission.*—Expenditures in 1957 by the Atomic Energy Commission will provide primarily for continuing construction of production plants begun in prior years. Work will also continue on the atomic power reactor at Shippingport, Pa., the very high energy accelerator at Brookhaven National Laboratory, and other research and development facilities. Of the projects authorized in 1956, expenditures will be chiefly for weapons facilities, reactors and related facilities, including ground prototypes of a surface ship reactor and a submarine advanced reactor, and facilities related to the development of civilian atomic power. New projects proposed for 1957 include improvements to existing production plants, additional weapons development facilities, modifications required to ground test facilities related to the Aircraft Nuclear Propulsion program, various research facilities, and some community and administrative construction. Total expenditures in 1957 are estimated at \$301 million.

*Other defense related construction.*—A major increase in plant capacity at the Government-owned plant at Nicaro, Cuba, for the extraction of nickel and cobalt, is planned for completion in 1957 at a total cost of about \$43 million.

#### OTHER FEDERAL ACTIVITIES IN CONSTRUCTION

In addition to publicly owned civil and national security public works, there are other types of Federal



activities, involving loans, loan guaranties, grants, or direct Federal expenditures, which affect construction. The distinguishing feature of these expenditures is that they contribute principally to the physical assets of cooperatives, and nonprofit private groups, or of individuals, whereas public works are limited both in the foregoing sections of this analysis and in special analysis D to additions to Federal, State, and local governmental physical assets.

#### ASSISTANCE TO COOPERATIVES AND NONPROFIT GROUPS

One important group of these programs consists of Federal assistance to cooperatives and nonprofit institutions such as colleges and hospitals, for the construction of facilities. These are discussed below and shown in table 8.

TABLE 8.—Federal expenditures for cooperatives and nonprofit groups (not included in civil public works)

[In millions]

Program	1955 actual	1956 estimate	1957 estimate
Direct Federal (trust funds):			
Federal old-age and survivors insurance building.....	\$0.1	\$0.7	\$3.4
United States Soldiers' Home.....	1.2	1.4	1.2
Grants:			
Nonpublic hospital construction.....	40.1	35.1	45.0
Nonpublic hospital facilities in the District of Columbia.....	1.4	.6	1.5
Construction, Howard University.....	3.2	5.9	4.2
Construction, Gallaudet College.....	(b)	.5	2.1
Construction of medical and dental research and teaching facilities (proposed legislation).....			5.0
Loans:			
Rural electrification (gross).....	196.5	215.0	230.0
College housing (gross).....	24.1	23.6	33.1
Total.....	266.6	282.8	325.5

<sup>b</sup> Deduct, less than \$50,000.

The Rural Electrification Administration makes loans primarily to rural cooperatives to finance electrification facilities and rural telephones. Electrification loans approved through the calendar year 1955 total \$3 billion. Over 93 percent of the farms in the United States now have central-station electric service and new electrification loans are largely for additional generating facilities and heavier distribution systems, required by increased customer demands. The rural telephone loan program was initiated in 1950. About 600,000 subscribers will be provided with modern telephone service under approved loans now totaling about \$264 million.

Grants are made to States by the Department of Health, Education, and Welfare for construction of both public and privately owned hospitals and medical facilities. Grants for public facilities are classified as public works and are discussed elsewhere in this analysis. Expenditures for private facilities, most of them operated on a nonprofit basis, represent 55 percent of total grants for medical facilities and will amount to \$45 million in 1957. A new program of grants for assistance in the construction of medical and dental research and teaching facilities is also proposed, with first-year appropriations of \$40 million.

Under proposed legislation, the Federal Government will, in 1957, also encourage construction of more adequate medical facilities through the guarantee of private loans for such construction.

Provision is also made in the budget for the Department of Health, Education, and Welfare for the continued construction of buildings for Howard University and Gallaudet College.

Loans in 1957 to private, nonprofit colleges and universities by the Housing and Home Finance Agency for the construction of dormitories and other facilities are estimated to amount to \$33 million.

The Bureau of Old Age and Survivors Insurance will continue construction in 1957 of a new building to house its central operations, to cost about \$25 million. This building is being financed from the Federal old-age and survivors insurance trust funds.

#### AIDS FOR PRIVATE CONSTRUCTION

Another group of Federal programs, consisting of loans, loan guaranties, tax concessions and occasional grants, direct aid, and other incentives, stimulates construction by farmers, homeowners, and businesses. This construction adds up to an important segment of the Nation's total construction.

In the field of housing, the Federal Housing Administration and the Veterans Administration operate programs for the insurance or guarantee of mortgages on private homes, under which substantial amounts of private housing are financed. In 1957, increased private investment in housing will be encouraged by expansion of the military housing mortgage insurance program, and by mortgage insurance on cooperative and urban renewal housing. The Federal Housing Administration will also insure mortgages on new and rehabilitated houses in urban blighted areas and on low-cost housing for families displaced by slum clearance.

The Farmers' Home Administration makes direct loans for farmhouses, buildings, and water facilities, and insures private loans for these purposes. The Department of Agriculture's program for soil and water conservation and flood prevention also encourages construction of water-control structures on farmers' lands. The Commodity Credit Corporation makes loans for the construction or expansion of grain-storage facilities and provides storage-use guaranties to encourage commercial construction of such facilities.

The Congress, in 1954, provided basic authority for a lease-purchase program to acquire needed Federal public buildings. Under this program, new buildings are built by private interests, and the Federal Government makes payments extending over a period of 10 to 25 years. At the end of the period the Federal Government will own the buildings. Fifty-three projects involving construction costs totaling \$105 million were approved during the first session of the 84th Congress. Additional projects costing over \$250 million are expected to be considered for approval by the end of 1957. It is anticipated that 38 buildings will be completed and occupied during 1957.

Summary of Federal expenditures for public works according to categories used in special analysis D. "Investment, operating, and other budget expenditures"

[In millions]

Public works listed under—	1955 actual	1956 estimate	1957 estimate
Additions to Federal assets:			
Loans to State and local governments (net).....	\$85	\$36	\$69
Public works—sites and direct construction:			
Civil.....	1,024	1,040	1,144
Major national security.....	2,407	2,252	2,190
Expenditures for other developmental purposes: State and local physical assets: Grants-in-aid.....	776	897	1,124
Total public works.....	4,122	4,225	4,527

<sup>a</sup> Deduct, excess of repayments over loans.



## SPECIAL ANALYSIS G—Continued

BUDGET AUTHORIZATIONS AND EXPENDITURES FOR CIVIL PUBLIC WORKS<sup>1</sup>

## BY MAJOR FUNCTION AND AGENCY—Continued

Function, organization unit, and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>VETERANS' SERVICES AND BENEFITS</b>							
<b>Veterans Administration:</b>							
Hospital and domiciliary facilities including alterations.....	105	\$50,480,000	\$33,900,000	\$51,447,000	\$29,171,423	\$36,274,262	\$55,000,000
<b>American Battle Monuments Commission:</b>							
Memorials and cemeteries on foreign battlegrounds.....	106	3,500,000	3,000,000	1,000,000	3,878,026	4,000,000	3,900,000
<b>Department of Defense—Civil Functions:</b>							
Department of the Army: Cemeteries.....	106	437,610	1,110,000	600,000	335,185	526,900	1,153,700
Total, veterans' services and benefits.....		54,417,610	38,010,000	53,047,000	33,384,634	40,801,162	60,053,700
<b>INTERNATIONAL AFFAIRS AND FINANCE</b>							
<b>United States Information Agency:</b>							
Radio facilities.....	153				1,046,523	23,326	375,000
<b>Department of State:</b>							
State Department and Foreign Service buildings.....	151	2,525,000	6,000,000	65,600,000	3,785,890	6,796,230	8,951,682
Total, international affairs and finance.....		2,525,000	6,000,000	65,600,000	4,832,413	6,819,556	9,326,682
<b>LABOR AND WELFARE</b>							
<b>General Services Administration:</b>							
<b>Hospital facilities in the District of Columbia:</b>							
Loans.....	213		805,000		2,245,955	6,525,000	4,930,555
Direct work.....	213				812,206	5,925,000	3,430,535
Geophysical Institute, Alaska.....	215				92		
Total, General Services Administration.....			805,000		3,058,253	12,450,000	8,361,070
<b>Department of Health, Education, and Welfare:</b>							
<b>Public Health Service:</b>							
Federal research facilities.....	213	253,032	1,015,000		3,171,622	3,543,117	1,761,980
Biologics standards building.....	213		3,190,000			90,000	1,500,000
Indian health facilities.....	213		5,000,000	8,762,000		2,790,000	5,285,000
Grants for public hospital construction.....	213	43,200,000	49,410,000	57,960,000	32,846,000	28,718,000	36,806,000
Total, Public Health Service.....		43,453,032	58,615,000	66,722,000	36,017,622	35,141,117	45,352,980
St. Elizabeths Hospital: Hospital buildings.....	213	819,000	869,000	7,091,000	1,622,058	2,638,971	2,928,000
<b>Office of Education:</b>							
<b>School construction in federally affected areas:</b>							
At Federal installations.....	214	7,000,000	3,850,000		8,187,469	9,145,515	6,817,118
Proposed legislation.....	214			12,500,000			1,000,000
Grants.....	214	110,800,000	26,100,000		121,058,387	84,924,485	51,600,625
Proposed legislation.....	214			75,000,000			4,000,000
School construction assistance program (proposed).....	214			375,500,000			150,000,000
Total, Department of Health, Education, and Welfare.....		162,072,032	89,434,000	536,813,000	166,885,536	131,850,088	261,698,723
<b>Smithsonian Institution:</b>							
Museums.....	215		2,548,000	33,712,000		1,932,500	2,132,600
<b>Department of Commerce:</b>							
National Bureau of Standards: Laboratories.....	215		900,000	3,170,000	573,604	604,841	2,386,756
<b>Department of Justice:</b>							
Federal Prison System: Prison facilities.....	216		875,000	18,500,000	666,738	1,771,534	4,650,000
Total, labor and welfare.....		162,072,032	94,562,000	592,195,000	171,184,131	148,608,963	279,229,149
<b>AGRICULTURE AND AGRICULTURAL RESOURCES</b>							
<b>Department of Agriculture:</b>							
Agricultural Research Service: Laboratory and research facilities.....	355	120,000	400,000	1,550,000	3,164,370	7,173,000	1,577,000
<b>Soil Conservation Service: Flood prevention, watershed protection, and other:</b>							
Direct work.....	354	2,285,912	1,999,000	2,194,500	2,145,397	2,367,809	2,260,800
Grants.....	354	11,657,690	17,564,515	21,196,500	10,368,393	15,608,515	18,978,500
Commodity Credit Corporation: Storage facilities.....	351				27,154,240	31,493,635	33,000,000
Total, agriculture and agricultural resources.....		14,063,602	19,963,524	24,941,000	42,832,400	56,642,959	55,816,300

<sup>1</sup> Budget authorizations consist of appropriations, contract authorizations, and authorizations to spend from debt receipts. New authorizations include authorizations made available in the year indicated, except appropriations to liquidate prior year authorizations. The table includes only that part of the authorization or expenditures used for construction.

## SPECIAL ANALYSIS G—Continued

BUDGET AUTHORIZATIONS AND EXPENDITURES FOR CIVIL PUBLIC WORKS <sup>1</sup>—Continued

## BY MAJOR FUNCTION AND AGENCY—Continued

Function, organization unit, and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
NATURAL RESOURCES							
Tennessee Valley Authority:							
Power and chemical facilities.....	401	\$114,467,422	\$25,120,000		\$217,092,539	\$106,754,921	\$40,034,000
Proposed legislation.....	401			\$68,500,000			24,100,000
Total, Tennessee Valley Authority.....		114,467,422	25,120,000	68,500,000	217,092,539	106,754,921	64,134,000
Department of Agriculture:							
Forest Service: Forest roads and protective facilities.....	402	20,559,908	22,728,900	26,393,500	18,358,130	22,394,500	23,662,770
Department of Defense—Civil Functions:							
Department of the Army: Corps of Engineers:							
Flood control and multiple-purpose projects with power.....	401	297,640,000	391,976,514	354,626,000	343,235,725	349,645,000	337,886,000
Saint Lawrence River Joint Board of Engineers (grant).....	401		150,000	150,000	107,589	150,000	150,000
Partnership projects; Proposed legislation (grants).....	401			10,000,000			5,000,000
Total, Department of Defense—Civil Functions.....		297,640,000	392,126,514	364,776,000	343,343,314	349,795,000	343,036,000
Department of the Interior:							
Power transmission facilities:							
Southeastern Power Administration.....	401					7,653	
Southwestern Power Administration.....	401				645,840	340,070	1,017,000
Bonneville Power Administration.....	401	24,193,875	14,600,000	18,700,000	33,301,713	27,700,000	24,400,000
Bureau of Land Management: Access roads.....	401	2,486,000	4,300,000	4,500,000	1,970,001	3,970,000	4,600,000
Bureau of Indian Affairs: Irrigation works, roads, buildings, and utilities.....	401	7,825,565	13,195,503	7,500,000	17,603,584	22,496,500	19,280,000
Bureau of Reclamation: Irrigation and multiple-purpose projects with power.....							
Proposed legislation.....	401	130,990,918	143,100,315	147,488,900	128,477,169	134,725,000	148,291,000
Partnership projects: Proposed legislation (loans and grants).....	401			20,000,000			8,600,000
				10,000,000			4,400,000
Total, Bureau of Reclamation.....		130,990,918	143,100,315	177,488,900	128,477,169	134,725,000	161,291,000
Bureau of Mines:							
Laboratories and helium plant expansion.....	403	6,000,000			448,646	3,000,000	3,000,000
Anthracite mine drainage facilities (grant).....	403		8,500,000			300,000	3,000,000
Fish and Wildlife Service: Fish hatcheries and wildlife refuges.....	404	1,300,000	2,750,000	3,200,000	2,583,444	2,685,000	2,575,000
National Park Service: Parkways, roads, buildings, and utilities.....	405	3,331,695	4,650,000	4,400,000	14,458,945	30,306,486	34,788,514
Geological Survey: Buildings.....	409	75,000	275,000	457,000		100,000	707,000
Total, Department of the Interior.....		176,203,053	191,370,818	216,245,900	199,489,342	225,630,709	254,658,514
National Monument Commission:							
Planning for national monument.....	405		25,000			22,000	3,000
Department of State:							
International Boundary and Water Commission: Water resource projects.....	401	300,000			1,369,042	2,500,000	2,000,000
Restoration of salmon runs, Fraser River system.....	404					73,470	
Total, Department of State.....		300,000			1,369,042	2,573,470	2,000,000
Total, natural resources.....		609,170,383	631,371,232	675,915,400	779,652,367	707,170,600	687,494,284
COMMERCE AND HOUSING							
Federal Civil Defense Administration:							
Grants for emergency centers.....	520		1,350,000	3,900,000		600,000	2,015,000
National Advisory Committee for Aeronautics:							
Research facilities.....	513	4,620,000	12,565,000	15,000,000	21,906,893	12,000,000	11,000,000
Saint Lawrence Seaway Development Corporation.....	511				2,920,969	12,920,260	41,714,000
General Services Administration:							
Grants for community facilities.....	515				91,430	62,282	100,000

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## SPECIAL ANALYSIS G—Continued

BUDGET AUTHORIZATIONS AND EXPENDITURES FOR CIVIL PUBLIC WORKS<sup>1</sup>—Continued

## BY MAJOR FUNCTION AND AGENCY—Continued

Function, organization unit, and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
COMMERCE AND HOUSING—Continued							
Housing and Home Finance Agency:							
Office of the Administrator:							
Public facility loans.....	515		\$100,000,000			\$500,000	\$7,250,000
Advance planning of non-Federal public works:							
Loans.....	515	\$1,500,000	3,000,000	\$12,000,000	\$6,501	839,000	6,400,000
Repayments.....	515				• 2,234,551	• 2,000,000	• 1,950,000
Defense housing.....	516				1,863,160	2,877,040	1,054,900
Defense community facilities:							
Loans.....	515				373,956	49,000	
Repayments.....	515				• 22,400	• 27,800	• 40,000
Grants.....	515				2,436,644	2,195,450	597,300
College housing:							
Loans.....	517		100,000,000	50,000,000	8,043,638	12,705,000	27,045,000
Repayments.....	517				• 166,000	• 250,000	• 375,000
Public Housing Administration: Low rent public housing:							
Loans.....	516				215,423,412	413,705,000	472,882,000
Repayments.....	516				• 312,955,534	• 403,954,000	• 463,133,000
Total, Housing and Home Finance Agency.....		1,500,000	203,000,000	62,000,000	• 87,231,124	26,638,690	49,726,200
Department of Commerce:							
Maritime activities: Shore facilities.....							
	511		250,000			150,000	100,000
Bureau of Public Roads:							
Grants for Federal-aid highways.....	512	870,000,000	870,000,000	10,000,000	583,678,767	727,272,872	786,800,000
Proposed legislation.....	512		10,000,000	860,000,000			
Forest and public land highways.....	512	22,500,000	22,500,000		22,944,211	28,007,901	24,000,000
Proposed legislation.....				22,500,000			
Access roads and other direct Federal work.....	512				13,150,879	5,215,102	2,000,000
Other grants.....	512				1,778,666	1,672,952	
Total, Bureau of Public Roads.....		892,500,000	902,500,000	892,500,000	621,552,523	762,168,827	812,800,000
Civil Aeronautics Administration:							
Establishment of air-navigation facilities.....	513	5,000,000	16,000,000	40,000,000	8,679,768	12,430,000	19,000,000
Washington, D. C., and Alaska airports.....	513	356,297	3,125,277		576,776	1,691,248	1,700,071
Federal-aid airport program: Grants.....	513	22,000,000	63,149,361	63,000,000	8,227,718	22,517,650	50,000,000
Total, Civil Aeronautics Administration.....		27,356,297	82,274,638	103,000,000	17,484,262	36,638,898	70,700,071
Coast and Geodetic Survey: Geomagnetic observatory.....							
	518				437,345	304,770	
Total, Department of Commerce.....		919,856,297	985,024,638	995,500,000	639,474,130	799,262,495	883,600,071
Department of Defense—Civil Functions:							
Department of the Army:							
Corps of Engineers: Navigation projects.....	511	42,162,600	88,351,000	110,320,000	50,221,000	73,600,000	103,500,000
Proposed legislation.....	511			5,000,000			2,500,000
Panama Canal Company: Construction.....	511				3,684,156	6,841,723	6,388,350
Total Department of Defense—Civil functions.....		42,162,600	88,351,000	115,320,000	53,905,156	80,441,723	112,388,350
Department of Health, Education, and Welfare:							
Office of the Secretary: Grants for defense community facilities.....							
	515				1,430,568		
Department of the Interior:							
National Park Service: Jones Point bridge.....	512	600,000	500,000	13,825,000	2,656	700,000	5,306,000
Office of Territories:							
Alaska roads.....	512	8,000,000	6,300,000	780,000	9,921,204	10,300,000	9,500,000
Alaska public works:							
Loans.....	515	4,725,515	1,500,000	2,500,000	4,398,159	4,750,000	4,980,514
Grants.....	515	4,725,515	1,500,000	2,500,000	4,398,160	4,750,000	4,980,514
Virgin Island public works: Grants.....	515				1,640,328	500,000	123,697
Alaska Railroad.....	518	2,900,000	4,100,000		3,670,701	9,739,219	7,589,000
Total, Department of the Interior.....		20,951,030	13,900,000	19,605,000	24,031,208	30,739,219	32,479,725

• Deduct, excess of repayments and collections over expenditures.

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## SPECIAL ANALYSIS G—Continued

BUDGET AUTHORIZATIONS AND EXPENDITURES FOR CIVIL PUBLIC WORKS <sup>1</sup>—Continued

## BY MAJOR FUNCTION AND AGENCY—Continued

Function, organization unit, and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
COMMERCE AND HOUSING—Continued							
Treasury Department:							
Coast Guard: Lifeboat stations and other aids.....	511	\$2,526,480	\$2,021,246	\$1,198,000	\$301,059	\$571,000	\$1,788,000
Federal Facilities Corporation: Synthetic rubber facilities.....	518				4,282,133		
Total, Treasury Department.....		2,526,480	2,021,246	1,198,000	4,583,192	571,000	1,788,000
Total, commerce and housing.....		991,616,407	1,306,211,884	1,212,523,000	661,112,422	963,235,669	1,134,811,346
GENERAL GOVERNMENT							
Legislative branch:							
Architect of the Capitol: Buildings.....	601	33,111,000	42,600,000		2,053,279	17,760,340	42,125,061
General Services Administration:							
Court facilities.....	602	2,970,600			201,675	2,021,064	788,561
Renovation and modernization, Executive Mansion.....	603				7,508		
Renovation, improvement, sites, planning, and construction of public buildings.....	605	5,463,330	27,787,300	39,989,000	10,112,821	15,017,192	33,444,422
Total, General Services Administration.....		8,433,930	27,787,300	39,989,000	10,322,004	17,038,256	34,232,983
Central Intelligence Agency:							
Headquarters installation.....	605		5,500,000	49,000,000		1,000,000	14,600,000
Department of Commerce:							
Weather Bureau: Housing and other facilities.....	607		215,000	670,000		100,000	220,000
Department of Defense—Civil Functions:							
Department of the Army: Canal Zone Government:							
Streets, sewers, and other facilities.....	609	1,415,000	1,800,000		1,494,530	1,999,606	1,298,200
Proposed legislation.....	609			5,000,000			1,700,000
Memorial to Maj. Gen. G. W. Goethals.....	610				561		
Total, Department of Defense—Civil Functions.....		1,415,000	1,800,000	5,000,000	1,495,091	1,999,606	2,998,200
Department of the Interior:							
Office of Territories: Public buildings in Samoa and Pacific Islands (grants).....	609	788,337	972,163	967,700	788,337	972,163	967,700
Department of Justice:							
Federal Bureau of Investigation: Training academy.....	608				40,275		
Immigration and Naturalization Service: Temporary detention camps.....	608	460,560			74,560	386,000	
Total, Department of Justice.....		460,560			114,835	386,000	
District of Columbia:							
Federal payment (grant).....	609	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000	7,000,000
Loans for highway, sewer, and water systems.....	609	7,957,000	9,700,000	10,700,000		3,265,000	8,290,000
Total, District of Columbia.....		14,957,000	16,700,000	17,700,000	7,000,000	10,265,000	15,290,000
Total, general government.....		59,165,827	95,574,463	113,326,700	21,773,546	49,521,365	110,433,944
Total, all functions, civil public works.....		1,893,030,861	2,191,693,103	2,737,548,100	1,714,771,713	1,972,800,274	2,337,165,405

<sup>1</sup> Budget authorizations consist of appropriations, contract authorizations, and authorizations to spend from debt receipts. New authorizations include authorizations made available in the year indicated, except appropriations to liquidate prior year authorizations. The table includes only that part of the authorization or expenditures used for construction.



## SPECIAL ANALYSIS G—Continued

## BUDGET AUTHORIZATIONS AND EXPENDITURES FOR MAJOR NATIONAL SECURITY CONSTRUCTION

[In millions]

Organization unit and program	Functional code No.	NEW AUTHORIZATIONS			EXPENDITURES		
		1955 enacted	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
<b>Military public works:</b>							
Department of Defense:							
Interservice activities:							
Access roads.....	051	\$13.5	\$2.3		\$0.4	\$11.0	\$3.0
Family housing.....	051	75.0			4.3	30.0	29.8
Loran stations.....	051		4.2			4.0	.2
Total, interservice activities.....		88.5	6.5		4.7	45.0	33.0
Department of the Army:							
Field forces and other operational facilities.....	053				176.0	181.0	200.0
Technical services.....	053				104.1	120.0	75.0
Military construction, Army Reserve Forces.....	053	15.0	31.6	\$40.0	25.0	25.0	36.0
Construction, Alaska Communication System.....	053	.5			1.0	.2	.7
Classified.....	053				70.0	80.0	105.0
Total, Department of the Army.....		15.5	31.6	40.0	376.1	406.2	416.1
Department of the Navy:							
Aviation facilities.....	054	19.0	91.6		71.1	80.0	110.0
Navy facilities other than aviation.....	054	47.3	206.0		61.0	75.0	124.0
Marine Corps facilities other than aviation.....	054	1.4	6.5		10.0	15.0	20.0
Military construction, Naval Reserve Forces.....	054	15.0	28.1	17.0	8.8	15.0	21.0
Construction, water supply facilities, San Diego, Calif.....	054				.8		
Classified.....	054	30.3	138.5		17.5	40.0	80.0
Total, Department of the Navy.....		113.0	470.7	17.0	169.2	225.0	355.0
Department of the Air Force:							
Operational support facilities.....	052	469.3	549.4		700.0	825.0	710.0
Training facilities.....	052	25.8	31.5		100.2	82.0	54.0
Logistical, other support and miscellaneous facilities.....	052	85.1	100.0		125.0	150.0	110.0
Classified.....	052	49.8	58.4		137.0	189.0	192.0
Total, Department of the Air Force.....		630.0	739.3		1,062.2	1,246.0	1,066.0
Proposed legislation.....	050			1,702.4			
Total, Department of Defense.....		847.0	1,248.1	1,759.4	1,612.2	1,922.2	1,870.1
<b>Other national security construction:</b>							
Atomic Energy Commission: Production plants, research, and other facilities.....	056	83.6	227.1		786.8	310.0	260.7
Proposed legislation.....	056			144.2			40.0
Funds appropriated to the President: Defense production expansion: Expansion of nickel plant at Nicaro, Cuba, and storage facilities.....	057				7.3	20.0	18.9
General Services Administration: Storage facilities for strategic and critical materials.....	057				1.2		
Total, other national security construction.....		83.6	227.1	144.2	795.3	330.0	319.6
<b>Total, national security construction.....</b>		<b>930.6</b>	<b>1,475.2</b>	<b>1,903.6</b>	<b>2,407.5</b>	<b>2,252.2</b>	<b>2,189.7</b>

<sup>1</sup> Excludes transfers of \$485.1 million to the Army and \$255 million to the Air Force from other service appropriations.

## SPECIAL ANALYSIS H

## FEDERAL AID TO STATE AND LOCAL GOVERNMENTS

Federal expenditures for aid to State and local governments in the fiscal year 1957 are estimated at \$4,019 million, 6 percent of all net budget expenditures. This total, which includes grants-in-aid, revenues shared with the States or their subdivisions, and loans to States and other public bodies, is \$302 million above the revised estimate for the same purposes in the current fiscal year. Individual programs are listed in the detailed table in this special analysis.

Some increase over 1956 is estimated for nearly all the grant-in-aid programs. Major elements in the overall increase of \$302 million are the proposed new program of general assistance for school construction, for which expenditures in 1957 are estimated at \$150 million; substantial additional amounts for highway and airport grants; and an increase for the unemployment insurance program, partly because some of the collections of the Federal payroll tax will be credited next year to the individual State accounts instead of a reserve fund to be held for loans to the States.

Table 1 shows Federal-aid expenditures for the years 1948 through 1957 and their relative budgetary importance for the Federal Government and the State and local governments.

TABLE 1.—Federal-aid expenditures in relation to total Federal budget expenditures and total State-local revenues from their own sources

Fiscal year	Net budget expenditures for aid to State and local governments (millions)	Federal-aid expenditures as percent of—	
		Total Federal expenditures (net)	State-local revenues <sup>1</sup>
1948.....	\$1,657	5	8
1949.....	1,803	5	8
1950.....	2,269	6	10
1951.....	2,434	5	9
1952.....	2,604	4	9
1953.....	2,857	4	9
1954.....	2,657	4	8
1955.....	3,124	5	9
1956 (estimated).....	3,717	6	(2)
1957 (estimated).....	4,019	6	(2)

<sup>1</sup> Based on compilations published by the governments division, Bureau of the Census.  
<sup>2</sup> Not available.

In June 1955 the Commission on Intergovernmental Relations established in 1953 completed its studies of the division of responsibilities between the Federal Government and the State and local governments. The Commission report and 15 supporting studies were transmitted by the President to the Congress and were also published. The Commission's suggestions concerning Federal grants-in-aid and other aids to States and their subdivisions, as well as tax sources, governmental functions, and intergovernmental tax immunities, are now under review in the Executive Branch.

*General description of the analysis.*—Federal aid is a device of intergovernmental cooperation through which the Federal Government helps to finance selected State and local programs of special national interest or concern. Most Federal aid takes the form of grants-in-aid. In the estimates for the fiscal year 1957, net budget expenditures for grants total \$3,853 million, including \$374 million under proposed legislation; shared revenues total \$90 million; and loans, \$77 million, including \$2 million under proposed legislation.

The amounts shown as Federal aid do not include Federal administrative expenses incurred in providing the

aid to State and local governments. The figures do include aid to the District of Columbia and the Territories.

*Grants-in-aid.*—In the case of grants-in-aid, the Federal financial participation is not based on a particular service rendered specifically for the Federal Government by the State or local government but instead supports a State or locally administered program. In most cases, the distribution of Federal funds among the States is determined by a formula set forth in the basic law.

The laws governing grant-in-aid programs contain provisions restricting Federal expenditures to specified purposes. States or local governments seeking to qualify for grants are usually required to meet certain conditions and standards on such matters as State or local financial participation, approval of State plans, the designation of an administering agency, a merit system of personnel selection, reporting system, and audits. In their details, these Federal requirements vary considerably among programs.

Legislation governing a few grant-in-aid programs permits aid to private nonprofit agencies or institutions. The program of grants to aid in the construction of hospitals and other health facilities, administered by the Department of Health, Education, and Welfare, is an illustration. It is estimated that \$45 million or 55 percent of Federal expenditures for these grants in the fiscal year 1957 will be used for private hospitals and other private health facilities. The program, nevertheless, is one in which the States have a central role through the preparation of statewide programs, the approval of individual projects, and the channeling of the Federal payments. Therefore the entire amount authorized and spent for the program is included as Federal aid in this table. The part going to private institutions is indicated separately.

On the other hand, certain Federal programs may incidentally involve grants to particular State or local governmental agencies, even though they are not primarily programs of grants-in-aid or loans to State or local governments. For example, the Public Health Service and the National Science Foundation make research grants to colleges and universities, including some State and local institutions. These payments are not included in the tabulation.

Payments of unemployment allowances to veterans of the Korean conflict and to former Federal civilian employees are considered direct Federal programs. The States, as a service to the Federal Government, make the benefit payments through their unemployment compensation offices as agents of the Federal Government and are fully reimbursed. Their expenses of administration are paid by the Government as part of its general grants-in-aid for unemployment compensation and employment service administration. These administrative costs in the States are not separately identifiable and are therefore included in the Federal-aid total even though the benefit payments are excluded.

In a few instances, grants-in-kind are made, usually involving commodities, services, or structures; wherever these can be identified in the budget they have been included in this analysis. Principal among them are grants of agricultural commodities to schools, welfare departments, and other public agencies. This is additional to the grants specifically for the national school lunch program, shown under labor and welfare. On the other hand,



the donation of previously acquired property or its sale at less than cost is not reflected in the figures. For example, the tabulation omits grants of surplus public housing properties to local agencies which, on the basis of original cost, are estimated at \$51,894,000 in 1955, dropping to \$14,616,000 in 1956, as the dispositions are largely completed.

*Shared revenues.*—Classified as shared revenues are (a) payments to States and localities of a portion of the proceeds from the sale of certain Federal property, products, and services; and (b) payments to the Territories of certain Federal tax collections derived within their boundaries or from transactions affecting them. Shared revenues from property and products are derived mainly from public lands in the West, and the Federal law usually requires that the State or local share be used for schools or for schools and roads in the county where the Federal lands are located. The payment of tax collections to the Territories (e. g., internal-revenue collections for Puerto Rico, the Virgin Islands, and Samoa) are included in this analysis to the extent that they are included in budget receipts and expenditures. Some revenues collected under Federal laws for the benefit of the governments of Guam, Puerto Rico, and the Virgin Islands are paid directly to those Territories, without affecting Federal budget accounts.

*Loans and repayable advances.*—Loans are made to State or local governmental bodies by several Federal agencies for specified types of public improvements, such as low-rent public housing, slum clearance, and urban renewal, by the Housing and Home Finance Agency. Also included in the category of loans are certain advances made by the same agency for the planning of non-Federal public works; these advances are repayable if the planned projects are carried out. Advances are also made by the Federal Civil Defense Administration in the operation of its supply procurement fund, which represents a central purchasing operation for State and local civil defense stocks. In the fiscal years 1956 and 1957 States and municipalities will procure directly a greater volume of their supplies and equipment, thus reducing advances from the fund.

Part of the Alaska public works expenditures represents Federal advances of funds to be repaid by the government of the Territory.

Budget expenditures for loans in most cases are net amounts, representing for any year the gross amount of loans and advances minus credits for certain collections during the year. As estimated for the fiscal year 1957, gross disbursements for loans and advances to State and local governments are estimated at \$581 million, collections at \$504 million, and the net excess of loans over collections at \$77 million. In a few cases, collections are not deducted from gross disbursements but, instead, are credited directly to miscellaneous receipts of the Treasury. These collections (which are shown in special analysis B as repayments of loans by States, municipalities, and other public bodies) totaled \$257,000 in 1955 and are estimated at \$108,000 in 1956 and \$110,000 in 1957.

*Major programs.*—In the budget estimates for 1957, grants to States and local governments account for four-fifths of all budget expenditures estimated for labor and welfare, and about half of the net expenditures for commerce and housing.

The largest grant program is public assistance, for which the budget includes \$1,312 million of grant expenditures under existing laws and \$166 million under proposed legislation to continue temporarily the present

Federal formula governing grants to State public assistance payments. The next largest grant is for the construction of highways, estimated at \$787 million of expenditures in 1957. The President has recommended an expanded program of highway grants to assure early improvement of the 40,000-mile interstate highway system; pending final determination of the amounts involved for the interstate system, the expenditure estimate covers only the continuance of the present annual level of authorizations.

The President is recommending also a 5-year program of general assistance for school construction, for which the budget includes \$375 million of new obligational authority for 1957, with expenditures estimated at \$150 million. Although part of this money might be used to purchase local school bonds and to help establish reserve funds to assure payments of obligations issued by State school-financing agencies, the whole amount is classified under grants-in-aid in this analysis.

In addition, the President is recommending a 2-year extension of the program of Federal aid to assist communities in providing new schools in areas especially affected by Federal activities. Other large construction grant programs are for hospitals and other health facilities and for airports.

Major nonconstruction grant programs, besides public assistance, include aid for school operation in areas especially affected by Federal activities, State administrative costs of unemployment compensation and employment services, provision of school lunches, public health services, vocational rehabilitation, and vocational education.

*Proposed legislation.*—Federal aid to State and local governments would be affected by several of the recommendations for legislation which are included in the budget. Besides the school and highway construction programs, and temporary continuance of the present formula for public assistance grants, the President is recommending grants to help strengthen State industrial safety programs; the extension and improvement of the public health grants, including mental health; assistance to enable the Territory of Alaska to take over the care of the mentally ill; an increase in grants for child welfare services; and new programs relating to nurse training, the reduction of juvenile delinquency, improvement of educational opportunities for mentally retarded children, and the promotion of self-help and self-care among persons on State public assistance rolls.

*Factors affecting aid expenditures and allocations.*—The amounts expended for most programs of Federal aid are subject to two kinds of limitation: The establishment of maximum amounts in the basic authorizing laws and the necessity for annual appropriations by the Congress. However, in the public assistance program the Federal payment is a reimbursement to the States of a portion of their expenditures. The amount paid to each State is determined by a statutory formula applied to actual caseloads and individual benefit rates established by the State. Consequently, the amount appropriated in advance does not necessarily limit the total of Federal payments for a given year. Congress customarily provides a deficiency appropriation if this is necessary to cover the claims submitted by the States.

Most Federal grant-in-aid statutes provide for the allocation of money among the States according to formulas containing specified measures of need, such as population, area, per-capita income, incidence of certain diseases, or road mileage. These formulas vary considerably from one program to another, depending on the nature of the



activity or services for which the aid is given. A few grants are allocated to States as a percentage of State expenditures within specified statutory limitations. Other grants are distributed as an equal amount to each State. Some allocation formulas are statutory while others are established by the administering Federal agency on the basis of criteria listed in the laws.

The vocational rehabilitation formula enacted in 1954 provides for variation by States in both the allotment of funds and the requisite matching share, in inverse proportion to per-capita income. Similar formulas are recommended in this budget for grants-in-aid in the field of health.

Citations to the basic laws are included in the pertinent appropriation language in part II of the budget, which also contains the appropriation accounts from which the detailed table in this analysis is compiled. Statutory citations for grants-in-aid and shared revenues are published annually by the Treasury Department in the *Annual Report of the Secretary of the Treasury on the State of the Finances* (table 105 in the Report for 1954). The Secretary's *Annual Report* shows also, by programs, the Federal payments to the individual States in the last completed fiscal year (table 106).

*Relationship to other budget figures.*—All the amounts shown in this special analysis represent budget expenditures, as defined in the introduction to part I. In most cases, the expenditures in a given fiscal year correspond closely to the amount of the appropriation, but in some instances the expenditures for grants or loans are made from an appropriation which also finances direct Federal operations or Federal administrative expenses. When this occurs, the amounts tabulated in this analysis ordinarily represent an estimate of that part of the expenditure which is paid as aid to State and local governments. Also, there are certain programs—chiefly construction—where there are substantial differences between appropriations (or other authority to incur obligations) for any year and expenditures in that year. This arises from the fact that construction projects usually cannot be completed and paid for within a fiscal year. In 1957, for example, the hospital construction and school construction programs of the Department of Health, Education, and Welfare show substantial differences between the recommended appropriation and estimated expenditures.

The detailed tabulation of Federal expenditures for aid to State and local governments is arranged according to the functional classification used in the budget message. In order that this analysis may be related readily to the analysis of investment, operating, and other budget expenditures presented in special analysis D, that tabulation shows separately in each category the amounts of Federal aid to State and local governments. In table 2, the Federal-aid programs are recapitulated to follow the outline of special analysis D.

TABLE 2.—Expenditures for Federal aid to State and local governments classified as "Investment, operating, and other expenditures"

[In millions]			
Category	1955 actual	1956 estimate	1957 estimate
Additions to Federal assets:			
Loans to State and local governments....	° \$80	\$49	\$77
Expenditures for other developmental purposes:			
State and local physical assets.....	787	911	1,136
Private physical assets.....	42	36	51
Education, training, and health.....	234	292	296
Research and development.....	21	28	32
Engineering and natural resources surveys.....	( <sup>b</sup> )	2	3
Total, other developmental purposes.....	1,084	1,269	1,518

TABLE 2.—Expenditures for Federal aid to State and local governments classified as "Investment, operating, and other expenditures"—Con.

[In millions]			
Category	1955 actual	1956 estimate	1957 estimate
Current expenses for aids and special services:			
Agriculture.....	\$187	\$322	\$273
Business.....			1
Labor.....	193	230	289
Homeowners and tenants.....	100	135	160
Veterans.....	8	8	8
Other aids and special services.....	1,519	1,585	1,566
Total, current expenses for aids and special services.....	2,007	2,280	2,297
Other services and current operating expenses: Shared revenues and grants-in-aid.....	114	120	123
Total, net budget expenditures for Federal aid to State and local governments.....	3,124	3,717	4,019

° Deduct, excess of repayments and collections over expenditures.

<sup>b</sup> Less than one-half million dollars.

Similarly, table 3 relates this special analysis of Federal aid to special analysis G which tabulates budget expenditures for public works. Including proposed legislation, about 30 percent of all Federal-aid expenditures is for public works, mostly public roads, schools, and housing.

TABLE 3.—Federal-aid expenditures for civil public works

[In millions]			
Type of aid and function	1955 actual	1956 estimate	1957 estimate
Grants-in-aid:			
Labor and welfare <sup>1</sup> .....	\$154	\$114	\$242
Agriculture and agricultural resources.....	10	16	19
Natural resources.....	( <sup>2</sup> )	( <sup>2</sup> )	10
Commerce and housing.....	603	760	845
General government.....	8	8	8
Total, grants-in-aid for public works.....	776	897	1,124
Loans and repayable advances (net):			
Labor and welfare.....	2	7	5
Natural resources.....			2
Commerce and housing.....	° 87	26	53
General government.....		3	8
Total, loans and repayable advances.....	° 85	36	69
Total, net budget expenditures for Federal-aid to State and local governments for public works....	691	933	1,193

° Deduct, excess of repayments and collections over expenditures.

<sup>1</sup> Does not include grants for construction of private nonprofit hospitals.

<sup>2</sup> Less than one-half million dollars.

*District of Columbia.*—Many Federal-aid programs provide financial assistance for specific public services in the District of Columbia on the same basis as in the States. In addition, this analysis includes programs of particular aid for the District of Columbia in the form of a general contribution to help defray the costs of the local government, assistance in building the District's hospital center (which is additional to aid made available under the general State-aid hospital and health facility construction program), and loans for capital outlays under the District government's public works program.

*Other financial relationships.*—Apart from grants-in-aid, loans, and shared revenues, many other Federal expenditures and policies affect the finances of State and local governments. Types of transactions not covered in the tabulation of aids include the following:

(a) Reimbursements for various specific services, such as payments to public educational institutions for tuition of veterans and of students from the Armed Forces and payments to local governments for care of Federal prisoners in local institutions.

(b) Contractual payments to public institutions for research and training in specified fields.

(c) The value of surplus educational and hospital supplies, materials, and equipment, and of housing and



other real estate donated or sold at substantial discounts to State and local agencies. The surplus public housing mentioned earlier is in this category of omitted grants-in-kind.

(d) The payments of property taxes, or payments in lieu of property taxes, made upon Federal property under the provisions of various laws. When such payments are based upon a percentage of revenues, however, as in the case of the Tennessee Valley Authority, they are included in the shared-revenue section of the table.

(e) The transfer to the unemployment trust fund of the excess of receipts from the Federal unemployment tax over operating costs of the Federal-State unemployment compensation and placement program to the extent that this annual transfer is devoted initially to setting up a reserve of \$200 million from which loans can be made to States which will deplete their own reserves for benefit payments. Such loans, if made, will be trust fund transactions and therefore would not be reflected in the tabulation of budget expenditures for Federal aid. The \$200 million reserve will be completed with \$49 million of the transfer to be made in July 1956, and it is esti-

mated that a further transfer of \$32 million will be available for credit to the accounts of the several States. The \$32 million is classified as a Federal expenditure for grants-in-aid.

In addition, the table does not reflect various indirect financial benefits accruing to State and local governments, such as the lower interest rates which those governments may enjoy because of exemption from Federal income tax of interest paid on State and local debt; the indirect Federal guaranty of municipal obligations issued for low-rent housing and urban renewal; deductions of State and local income, property, and other taxes from personal and corporate incomes in computing Federal income tax; services which may be rendered to other governmental units by Federal agencies in the ordinary course of their operations; and some programs administered cooperatively for the purposes of both the State and Federal Governments, such as agricultural crop reporting or the National Guard.

Some of these financial benefits, of course, have counterparts in the form of services rendered or occasional payments made to the Federal Government by the States or their subdivisions.

### FEDERAL AID TO STATE AND LOCAL GOVERNMENTS

*Based on existing and proposed legislation*

Function, agency, and program	Functional code No.	EXPENDITURES		
		1955 actual	1956 estimate	1957 estimate
GRANTS-IN-AID				
Veterans' services and benefits:				
Veterans Administration:				
Aid to State homes <sup>1</sup> .....	105	\$5,229,432	\$5,516,000	\$5,825,000
State supervision of schools and training establishments <sup>1</sup> .....	106	2,457,552	2,500,000	2,500,000
Total, veterans' services and benefits.....		7,686,984	8,016,000	8,325,000
Labor and welfare:				
Department of Labor: Unemployment compensation and employment service administration.....	211	193,552,413	230,000,000	255,250,000
Treasury Department: Credit to State accounts in unemployment trust fund <sup>1</sup> .....	211			31,581,460
Department of Health, Education, and Welfare:				
Public assistance.....	212	1,426,599,483	1,487,745,448	1,311,803,000
Hospital construction <sup>1</sup> .....	213	72,991,373	65,000,000	83,000,000
Portion to private nonprofit institutions.....	213	(40,145,373)	(35,102,000)	(44,984,000)
Surveys and programs for hospital construction.....	213	146,719	900,000	953,281
Assistance to States, general public health <sup>1</sup> .....	213	9,724,467	14,225,000	9,725,000
Control of venereal disease <sup>1</sup> .....	213	697,953	1,200,000	1,200,000
Control of tuberculosis <sup>1</sup> .....	213	4,490,652	4,500,000	4,500,000
Mental health activities <sup>1</sup> .....	213	2,317,073	3,000,000	3,000,000
National Heart Institute <sup>1</sup> .....	213	1,067,530	1,125,000	1,125,000
National Cancer Institute <sup>1</sup> .....	213	2,230,356	2,250,000	2,250,000
Maternal and child welfare.....	213	29,256,773	34,157,000	35,122,000
Disease and sanitation control, Alaska <sup>1</sup> .....	213	613,000	638,000	638,000
Water pollution control.....	213	* 1,715		
Poliomyelitis vaccination program.....	213		28,000,000	2,000,000
General Services Administration: Hospital facilities in District of Columbia (private non-profit) <sup>2</sup> .....	213	1,433,749	600,000	1,500,000
Interstate Commission on the Potomac River Basin.....	213	5,000	5,000	5,000

Function, agency, and program	Functional code No.	EXPENDITURES		
		1955 actual	1956 estimate	1957 estimate
GRANTS-IN-AID—Continued				
Labor and welfare—Continued				
Department of Health, Education, and Welfare:				
Assistance for school construc- tion and operation in fed- erally affected areas:				
School construction <sup>1</sup> .....	214	\$121,058,387	\$84,924,485	\$51,600,625
Maintenance and operation of schools <sup>1</sup> .....	214	81,859,521	80,181,164	72,958,655
Vocational education.....	214	30,522,885	33,638,331	33,638,331
Colleges for agriculture and the mechanic arts.....	214	5,051,500	5,051,500	5,051,500
White House Conference on Education <sup>1</sup> .....	214	608,048		
Vocational rehabilitation.....	217	25,983,533	35,437,815	39,134,600
Education of the blind.....	217	205,000	224,000	230,000
Department of Agriculture: National school-lunch program <sup>1</sup> .....	217	83,068,527	83,368,000	83,268,000
Proposed legislation:				
Department of Labor: Strengthen State industrial safety pro- grams.....	211			2,000,000
Department of Health, Educa- tion, and Welfare:				
Grants to States for public assistance.....	212			166,103,000
Extension of poliomyelitis vac- cination program.....	213		5,000,000	20,000,000
Construction grants for med- ical and dental research and teaching facilities.....	213			5,000,000
Other health, education, and welfare.....	213			18,700,000
School construction assistance program <sup>3</sup> .....	214			150,000,000
Extension of assistance for school construction in fed- erally affected areas.....	214			4,000,000
Total, labor and welfare.....		2,093,482,227	2,201,170,743	2,395,337,452

\* Deduct.

<sup>1</sup> Part of a larger appropriation account.

<sup>2</sup> Part of a larger appropriation account. A related part of this appropriation is shown under repayable advances.

<sup>3</sup> Part of the estimated expenditure may be for the purchase of school district bonds or to help establish reserve funds for payment of debt service.

## SPECIAL ANALYSIS H—Continued

## FEDERAL AID TO STATE AND LOCAL GOVERNMENTS—Continued

Function, agency, and program	Functional code No.	EXPENDITURES		
		1955 actual	1956 estimate	1957 estimate
GRANTS-IN-AID—Continued				
Agriculture and agricultural resources:				
Department of Agriculture:				
Removal of surplus agricultural commodities and Commodity Credit Corporation:				
Contribution to school-lunch program <sup>1</sup> .....	351	\$64,369,550	\$123,900,000	\$129,200,000
Contribution to other public agencies <sup>1</sup> .....	351	113,335,493	187,417,500	132,900,000
Watershed protection.....	354	5,040,000	7,070,000	9,509,000
Flood prevention.....	354	5,328,393	8,538,515	9,469,500
Cooperative agricultural extension work.....	355	39,387,342	44,544,000	48,107,000
Agricultural experiment stations.....	355	19,371,572	24,751,000	27,496,000
Agricultural Marketing Act: Cooperative projects in marketing <sup>1</sup> .....	355	900,000	1,000,000	1,100,000
Total, agriculture and agricultural resources.....		247,732,350	397,221,015	357,781,500
Natural resources:				
Department of Defense: Department of the Army: Corps of Engineers: United States section, Saint Lawrence River Joint Board of Engineers.....	401	107,589	150,000	150,000
Department of Agriculture: State and private forestry cooperation.....	402	9,508,799	10,465,000	10,465,000
Department of the Interior:				
Drainage of anthracite mines.....	403		300,000	3,000,000
Wildlife restoration <sup>1</sup> .....	404	12,796,499	10,880,000	11,700,000
Fish restoration and management <sup>1</sup> .....	404	3,521,511	4,188,000	4,035,000
Proposed legislation:				
Department of Defense: Department of the Army: Corps of Engineers: Partnership projects.....	401			5,000,000
Department of the Interior: Bureau of Reclamation: Partnership projects.....	401			2,200,000
Total, natural resources.....		25,934,398	25,983,000	36,550,000
Commerce and housing:				
Department of Commerce:				
State marine schools <sup>1</sup> .....	511	149,148	190,000	190,000
Federal-aid highways.....	512	583,678,767	727,272,872	786,800,000
Other Federal highway programs.....	512	1,453,070	1,130,294	
War and emergency damage, roads, Territory of Hawaii.....	512	615,596	542,658	
Federal-aid airport program <sup>1</sup> .....	513	8,227,718	22,517,650	50,000,000
Housing and Home Finance Agency:				
Slum clearance and urban renewal, capital grants <sup>2</sup> .....	515	33,516,114	50,116,418	63,966,000
Urban planning grants.....	515		1,500,000	2,000,000
Defense community facilities and services <sup>2</sup> .....	515	2,436,644	2,195,450	597,300
Low rent housing program—annual contributions <sup>2</sup> .....	516	66,592,937	84,500,000	96,000,000
Department of Health, Education, and Welfare: Defense community facilities and services.....	515	1,430,568		
General Services Administration:				
Defense public works, community facilities.....	515	91,430	62,282	100,000
Department of the Interior:				
Virgin Islands public works.....	515	1,640,328	500,000	123,697
Alaska public works <sup>1</sup> .....	515	4,398,160	4,750,000	4,980,514

Function, agency, and program	Functional code No.	EXPENDITURES		
		1955 actual	1956 estimate	1957 estimate
GRANTS-IN-AID—Continued				
Commerce and housing—Continued				
Federal Civil Defense Administration: Federal contributions.....	520	\$10,470,971	\$14,243,000	\$13,400,000
Funds appropriated to the President: Disaster relief.....	521	8,939,049	13,689,043	4,700,000
Proposed legislation:				
Housing and Home Finance Agency.....	515			400,000
Department of Commerce: Area assistance activities.....	518			1,000,000
Total, commerce and housing.....		723,640,500	923,209,667	1,024,257,511
General government:				
Department of the Interior: Grants to American Samoa, Guam, and the trust territories.....	609	5,930,571	6,169,400	5,969,400
District of Columbia: Federal contribution.....	609	21,890,000	21,892,700	24,358,650
Proposed legislation: Department of the Interior: Grants to American Samoa, Guam, and the trust territories.....	609			60,000
Total, general government.....		27,820,571	28,062,100	30,388,050
Total, grants-in-aid.....		3,126,297,030	3,583,662,525	3,852,639,513
SHARED REVENUES				
Agriculture and agricultural resources:				
Department of Agriculture: Submarginal land program.....	354	374,968	375,000	375,000
Natural resources:				
Federal Power Commission: Federal Power Act.....	401	32,775	31,258	36,682
Department of the Interior:				
Grazing receipts, to States.....	401	352,453	369,901	368,300
Proceeds, to States, sales of public land and materials.....	401	86,396	134,002	245,700
Alaska school lands, income and proceeds.....	401	708	2,823	1,500
Boulder Canyon project, payments to Arizona and Nevada.....	401	600,000	600,000	600,000
Oregon and California land-grant fund, to counties.....	402	11,756,166	9,000,380	8,755,000
Payments to Coos and Douglas Counties, Oreg., on Coos Bay Wagon Road grant lands.....	402	143,447	43,227	50,000
Payments to Oklahoma from oil and gas royalties.....	403	12,303	7,305	7,500
Mineral Leasing Act, to States.....	403	22,188,735	24,940,362	26,917,000
Migratory Bird Conservation Act, to counties.....	404	564,355	547,170	550,000
Payment to Wyoming in lieu of taxes, acquired lands in Grand Teton National Park.....	405	25,813	26,093	26,000
Department of Agriculture:				
National forests fund, to States for counties.....	402	16,470,906	19,427,849	26,088,700
National forest receipts, to Arizona and New Mexico for schools.....	402	102,579	114,300	115,000
Department of Defense: Flood Control Act of 1954, to States.....	401	1,053,144	1,189,849	1,250,000
Tennessee Valley Authority: Payments in lieu of taxes.....	401	3,878,466	4,152,000	4,786,000
Total, natural resources.....		57,268,246	60,586,519	69,797,382

<sup>1</sup> Part of a larger appropriation account.<sup>2</sup> Part of a larger appropriation account. A related part of this appropriation is shown under repayable advances.



## SPECIAL ANALYSIS H—Continued

## FEDERAL AID TO STATE AND LOCAL GOVERNMENTS—Continued

Function, agency, and program	Functional code No.	EXPENDITURES		
		1955 actual	1956 estimate	1957 estimate
SHARED REVENUES—Continued				
General government:				
Department of the Interior: Internal revenue collections, Virgin Islands.....	609	\$3, 899, 200	\$4, 354, 336	\$2, 500, 000
Treasury Department: Tax collections for American Samoa and Puerto Rico.....	609	16, 046, 840	19, 098, 196	17, 550, 000
Total, general government.....		19, 946, 040	23, 452, 532	20, 050, 000
Total, shared revenues.....		77, 589, 254	84, 414, 051	90, 222, 382
LOANS AND REPAYABLE ADVANCES				
Gross loans and repayable advances:				
Labor and welfare: General Services Administration: Hospital facilities in District of Columbia (private nonprofit) <sup>1</sup> .....	213	2, 245, 955	6, 525, 000	4, 930, 535
Natural resources: Proposed legislation: Department of the Interior—Partnership projects.....	401			2, 200, 000
Commerce and housing: Housing and Home Finance Agency:				
Advance planning of non-Federal public works <sup>2</sup> .....	515	6, 501	39, 000	
Reserve of planned public works.....	515		800, 000	6, 400, 000
Defense community facilities and services <sup>3</sup> .....	515	373, 956	49, 000	
Public facility loans.....	515		500, 000	7, 250, 000
Slum clearance and urban renewal.....	515	30, 210, 882	37, 150, 000	43, 500, 000
Low-rent housing.....	516	215, 423, 412	413, 705, 000	472, 882, 000
College housing.....	517	8, 043, 688	12, 705, 000	27, 045, 000
Department of the Interior: Alaska public works <sup>4</sup> .....	515	4, 398, 159	4, 750, 000	4, 980, 514
Federal Civil Defense Administration: Procurement fund.....	520	27, 537, 413	3, 172, 000	3, 089, 000
General government: District of Columbia: Loans for capital outlays.....	609		3, 265, 000	8, 290, 000
Total, gross loans.....		288, 239, 966	482, 660, 000	580, 567, 049

Function, agency, and program	Functional code No.	EXPENDITURES		
		1955 actual	1956 estimate	1957 estimate
LOANS AND REPAYABLE ADVANCES—Continued				
Collections credited against expenditures:				
Commerce and Housing: Housing and Home Finance Agency:				
Slum clearance and urban renewal.....	515	• \$25, 294, 304	• \$23, 800, 000	• \$35, 400, 000
Advance planning of non-Federal public works <sup>1</sup> .....	515	• 2, 234, 551	• 2, 000, 000	• 1, 750, 000
Reserve of planned public works.....	515			• 200, 000
Defense community facilities and services <sup>2</sup> .....	515	• 22, 400	• 27, 800	• 40, 000
Low-rent housing program.....	516	• 312, 955, 534	• 403, 954, 000	• 463, 138, 000
War public works <sup>3</sup> .....	516	• 36, 000	• 37, 000	• 39, 000
College housing.....	517	• 166, 000	• 250, 000	• 375, 000
Federal Civil Defense Administration: Procurement fund.....	520	• 27, 120, 410	• 3, 172, 000	• 3, 089, 000
Total, collections credited against expenditures.....		• 367, 829, 199	• 433, 240, 800	• 504, 031, 000
Net budget expenditures for loans and repayable advances.....		• 79, 589, 233	49, 419, 200	76, 536, 049
Total, net budget expenditures for grants-in-aid, shared revenues, loans, and repayable advances.....		3, 124, 297, 051	3, 717, 495, 776	4, 019, 397, 944
SUMMARY				
Grants-in-aid, loans, and repayable advances for civil public works.....		691, 218, 173	933, 313, 569	1, 192, 755, 385
Grants for hospital construction to private nonprofit institutions.....		41, 579, 122	35, 702, 000	46, 484, 000
Other grants-in-aid, shared revenues, loans, and repayable advances.....		2, 391, 499, 756	2, 748, 480, 207	2, 780, 158, 559
Total, net budget expenditures for grants-in-aid, shared revenues, loans, and repayable advances.....		3, 124, 297, 051	3, 717, 495, 776	4, 019, 397, 944

<sup>1</sup> Deduct.<sup>2</sup> Part of a larger appropriation account. A related part of this appropriation is shown under grants-in-aid.<sup>3</sup> Part of a larger account.

## SPECIAL ANALYSIS I

## FEDERAL RESEARCH AND DEVELOPMENT PROGRAMS

Net budget expenditures for the research and development programs of the Federal Government in the fiscal year 1957 are estimated at \$2,557 million. This is an increase of \$301 million over 1956 and \$472 million over 1955. The increase from 1956 to 1957 is primarily for national security programs, which account for \$226 million of the aggregate \$301 million increase in expenditures. These amounts include expenditures both for the conduct of research and for increase of research and development plant. Conduct of research includes funds spent for applied and developmental research as well as for basic or fundamental research, the latter amounting to less than 10 percent of the total.

TABLE 1.—Total Federal research and development expenditures  
[In millions]

Purpose	1955 actual	1956 estimate	1957 estimate
Conduct of research and development.....	\$1, 898. 2	\$2, 011. 5	\$2, 225. 5
Increase of research and development plant.....	186. 5	244. 6	331. 2
Total.....	2, 084. 6	2, 256. 1	2, 556. 7

Research and development expenditures for major national security activities account for 84 percent of the total Federal expenditures for this purpose in 1957, of which the military functions of the Department of Defense alone account for 62 percent and the Atomic Energy Commission 21 percent. Other research and development expenditures in 1957, totaling 16 percent, are chiefly accounted for by the Department of Health, Education, and Welfare with 5 percent, the Department of Agriculture with 4 percent and the National Advisory Committee for Aeronautics with 3 percent. Included under the heading "major national security" in table 2 are expenditures of the Department of Defense for military functions and for mutual weapons development under the program of military assistance to our allies, the Atomic Energy Commission, and the General Services Administration for increasing the supply of strategic and critical raw materials under the program for expansion of defense production.

TABLE 2.—Division of Federal expenditures for research and development between major national security and other programs

[In millions]			
Fiscal year	Major national security	Other	Total
1940.....	\$26	\$48	\$74
1941.....	144	54	198
1942.....	211	69	280
1943.....	472	130	602
1944.....	1, 178	199	1, 377
1945.....	1, 372	219	1, 591
1946.....	784	134	918
1947.....	768	130	898
1948.....	698	155	853
1949.....	889	191	1, 080
1950.....	871	209	1, 080
1951.....	1, 063	235	1, 298
1952.....	1, 565	250	1, 815
1953.....	1, 830	270	2, 100
1954.....	1, 806	279	2, 085
1955.....	1, 804	281	2, 085
1956 (estimated).....	1, 921	335	2, 256
1957 (estimated).....	2, 147	410	2, 557

The total research effort of the Nation is under continued study by the National Science Foundation as a

basis for recommending to the President policies to strengthen research and to define the role of the Federal Government in its support.

Federal support for research and development is estimated to represent approximately half the total expenditures of the country for this purpose. Private industry is the second largest supporter of research with lesser amounts provided directly by foundations and educational institutions and minor amounts by State and local governments.

In this analysis the term "conduct of research and development" includes activities in which the primary aim is either to develop new knowledge or to apply existing knowledge to new uses. These activities may be carried out in Government installations or in the facilities of private, State, or local organizations using Federal funds. Generally excluded from this definition are expenditures for routine testing, mapping, and surveys, experimental production, information activities and training programs including fellowships for the support of graduate students in the sciences. This special analysis also omits expenditures of the Census Bureau, Bureau of Labor Statistics, and other agencies for the collection of general-purpose statistics, some of which were included in the similar tabulations of "Federal research and development programs" in preceding budgets. The major economic statistical programs of the Federal Government are discussed in special analysis J in this budget.

Expenditures for increase of research and development plant include amounts for physical facilities such as land, buildings, and major equipment, regardless of whether the facility is to be used or owned by the Federal Government or by a private, State, or local organization.

All expenditures in this special analysis are net budget expenditures as defined in the introduction to part I of the budget; the estimated amounts include expenditures from supplemental appropriations proposed for later transmission. Table 17 relates the figures in this special analysis to the analysis of investment, operating, and other budget expenditures presented in special analysis D.

## DEPARTMENT OF DEFENSE—MILITARY FUNCTIONS

The objective of the military research and development program of the Department of Defense is to develop new and improved weapons, equipment, and techniques which will significantly increase the effectiveness of the Armed Forces. The program consists primarily of applied research and development to meet this objective, with some support of basic research directly related to current development programs or likely to have future military significance.

TABLE 3.—Expenditures of the Department of Defense for research and development

[In millions]			
Function and purpose	1955 actual	1956 estimate	1957 estimate
050 Major national security:			
Conduct of research and development.....	\$1, 396. 9	\$1, 370. 0	\$1, 430. 0
Increase of research and development plant.....	110. 5	125. 0	150. 0
Total, Department of Defense.....	1, 507. 4	1, 495. 0	1, 580. 0



## CONDUCT OF RESEARCH AND DEVELOPMENT

This special analysis includes those expenditures for conduct of research and development by the Department of Defense which are provided for in the research and development category of the Department's budget. This category includes contracts with industry and nonprofit institutions and work in the laboratories and test stations of the military services. Estimates on this basis give a fair indication of the costs directly related to the Department's research and development programs, but they omit substantial costs associated with research and development which are carried in other budget categories. One example is the costs of military personnel engaged in research, development, and test activities, estimates of which are shown separately in table 4; another is the construction of research and development facilities included in the military public works category, discussed separately below. Of much greater significance, however, are the costs in the procurement categories for production in quantity of prototypes of new weapons and equipment for test and evaluation, for facilities for experimental production, and for procurement of certain standard supplies and military equipment used in research, development, and test activities. Prototypes of the many new types of combat and support aircraft under development, the construction of experimental ships of many classes, and the large quantities of developmental missiles and test vehicles required in the expanding guided missiles programs of the three departments are examples of types of major developmental costs which fall in the procurement categories of the budget. The portions of the procurement programs which support research and development cannot be clearly defined, but it is estimated that they are at least equal to the total shown for Department of Defense research and development in this analysis and that the amounts involved are increasing substantially as the results of previous research and development are translated into prototype weapons and equipment.

TABLE 4.—Expenditures of the military departments for conduct of research and development

[In millions]			
Military department	1955 actual	1956 estimate	1957 estimate
Air Force.....	\$524.2	\$555.0	\$610.0
Army.....	403.9	365.0	370.0
Navy.....	468.8	450.0	450.0
Total.....	1,396.9	1,370.0	1,430.0
Military personnel costs (not included above).....	(157.2)	(165.0)	(169.0)

During the fiscal year 1956, the military research and development program is being reoriented to accelerate work on ballistic-type guided missiles, on nuclear propelled aircraft, and in fields of special importance to continental defense. This is being accomplished by changes in emphasis within the program and through the use of the flexibility provided by the Department of Defense emergency fund and the special transfer authority of \$50 million provided in the 1956 appropriation act. The obligations for the major programs summarized in table 5 reflect these changes as currently planned for 1956 and 1957. Expenditures of the Department for the conduct of research and development, which in table 5 have been adjusted to reflect changes made last year in the research and development

budget category, show a slight decline in 1956 because of program adjustments in 1954 and 1955. Expenditures are expected to rise again in 1957 and subsequent years as a result of increased obligations in 1956 and 1957 for operation of test ranges and other facilities and the reorientation of the programs described above.

TABLE 5.—Obligations and expenditures, by program, of the Department of Defense for conduct of research and development

[In millions]			
Program	1955 actual	1956 estimate	1957 estimate
Obligations:			
1. Aircraft and related equipment.....	\$293.6	\$339.5	\$312.8
2. Guided missiles and related equipment.....	214.0	268.0	224.4
3. Ships and small craft and related equipment.....	72.0	75.5	74.1
4. Combat and support vehicles and related equipment.....	20.9	16.4	16.9
5. Artillery and other weapons and related equipment.....	10.4	9.7	9.3
6. Ammunition and related equipment.....	131.3	123.9	114.9
7. Other equipment.....	171.6	176.1	177.7
8. Military sciences.....	186.8	226.3	212.5
9. Operation and management of facilities.....	249.0	284.6	347.4
10. Emergency fund.....			35.0
Total obligations.....	1,349.6	1,520.0	1,525.0
Expenditures:			
Total expenditures, research and development category.....	1,396.9	1,370.0	1,430.0
Amounts charged to other categories in 1956 and 1957.....	40.0	20.0	
Total expenditures (comparable to above).....	1,436.9	1,390.0	1,430.0

Within the Department of Defense, the research and development program is administered by the three military departments under the general direction of the Secretary of Defense. More than half of the expenditures are for work performed under contracts with industry and nonprofit institutions; the remainder goes for work in Department of Defense facilities and for the administration of the program. The composition of the planned 1957 program is shown in table 6. The amounts for operation and management of facilities are those which are not distributed directly to the other programs under the current practices of each department.

TABLE 6.—Obligations and expenditures, by program, of the military departments for conduct of research and development in the fiscal year 1957

[In millions]				
Program	Army	Navy	Air Force	Total
Obligations:				
1. Aircraft and related equipment.....	\$18.7	\$140.2	\$153.9	\$312.8
2. Guided missiles and related equipment.....	79.3	98.6	46.5	224.4
3. Ships and small craft and related equipment.....	.4	73.7		74.1
4. Combat and support vehicles and related equipment.....	16.9			16.9
5. Artillery and other weapons and related equipment.....	9.2	.1		9.3
6. Ammunition and related equipment.....	48.1	57.5	9.3	114.9
7. Other equipment.....	78.8	32.7	66.2	177.7
8. Military sciences.....	83.2	67.2	62.1	212.5
9. Operation and management of facilities.....	75.4		272.0	347.4
Total obligations, military departments.....	410.0	470.0	610.0	1,490.0
10. Emergency fund, Department of Defense.....				35.0
Total obligations.....				1,525.0
Expenditures:				
Total expenditures.....	370.0	450.0	610.0	1,430.0



## INCREASE OF RESEARCH AND DEVELOPMENT PLANT

Estimates shown in this analysis for increase of research and development plant of the Department of Defense include all public works construction at installations having as their primary mission research, development, and testing, and that part of construction at other installations which is in support of the research and development program. Expenditures for minor construction and equipment for research and development plant are included in estimates for conduct of research and development.

TABLE 7.—*Expenditures of the military departments for increase of research and development plant*

[In millions]

Military department	1955 actual	1956 estimate	1957 estimate
Air Force.....	\$72.3	\$90.0	\$105.0
Army.....	27.6	25.0	15.0
Navy.....	10.6	10.0	30.0
Total.....	110.5	125.0	150.0

## MILITARY ASSISTANCE

As part of the military assistance program, the United States cooperates through the mutual weapons development program with a number of foreign countries to accelerate their development of advanced nonnuclear weapons. Current participants in the program, which is administered by the Department of Defense, are the United Kingdom, France, The Netherlands, Belgium, Norway, and Italy. Projects are financed jointly by the United States and the countries undertaking particular developments. Expenditure estimates in table 8 represent spending by the United States.

TABLE 8.—*Expenditures of the mutual weapons development program for research and development*

[In millions]

Function	1955 actual	1956 estimate	1957 estimate
050 Major national security.....	\$3.0	\$15.0	\$30.0

The projects are conducted by scientists and technicians of the participating countries and are directed at developing weapons which are particularly well suited to the defense requirements of these countries and to their capacity for production and maintenance of modern arms. Guided missiles, aircraft, communications and electronics equipment, and other weapons and equipment are under development. Through the projects in each country and through the establishment of joint regional efforts, such as the Air Defense Technical Center for Europe, the program helps provide technological solutions to mutual defense problems.

## ATOMIC ENERGY COMMISSION

The research and development program of the Atomic Energy Commission comprises both basic research and applied research and development. Basic research is conducted in the physical and life sciences to secure a better understanding of nuclear phenomena and of the effects of nuclear radiation on living organisms. The applied research and development includes efforts to improve present methods of refining uranium and producing fissionable material, to improve weapons systems, to

find ways to achieving controlled thermonuclear reactions, and to develop means of producing useful power from atomic reactors. The research and development program is conducted in the Commission's laboratories, which are operated by private contractors, and in universities and other private research institutions. A large part of the research effort is devoted to meeting military requirements. At the same time it produces information which is also necessary to progress in the application of atomic energy to civilian uses. Moreover, the Commission is devoting an increasing amount of its research efforts to the development of peaceful applications of nuclear energy.

TABLE 9.—*Expenditures of the Atomic Energy Commission for research and development*

[In millions]

Function and program	Conduct of research and development			Increase in research and development plant		
	1955 actual	1956 estimate	1957 estimate	1955 actual	1956 estimate	1957 estimate
050 Major national security:						
Production and weapons.....	\$92.1	\$101.9	\$95.1	\$7.8	\$8.6	\$9.5
Reactor development.....	95.4	144.4	211.1	9.8	42.7	87.5
Physical research.....	39.5	46.4	58.6	5.4	14.9	15.5
Biology and medicine.....	26.4	27.2	29.7	.7	1.4	6.0
Equipment not included above.....				12.7	16.0	17.8
Total, Atomic Energy Commission.....	253.4	319.9	394.5	36.4	83.6	136.3

The research and development program for production and weapons is chiefly directed to increasing the capacity and efficiency of plants which produce uranium metal, other feed materials, and fissionable materials, and to developing concepts which lead to new and improved weapons.

Reactor development research is devoted primarily to the conversion of atomic energy to useful power. In the civilian field, the Commission will in 1957 be working on eight concepts of reactors for the generation of economic electrical energy, with increasing participation by private industry and public power groups. To meet military requirements, the Commission will expand work on developing transportable reactors to supply power at remote bases and propulsion reactors for submarines, surface ships, and aircraft. In support of these specific programs, the Commission conducts research and development work on reactor materials and components, heat transfer systems, separations processes for used fuels, reactor safety, and related problems. In 1957, expenditures for the construction of specific reactor prototypes and related research, development, and test facilities will increase substantially.

Under physical research the Commission conducts investigations in chemistry, physics, and metallurgy which provide the basic information for further advances in nuclear energy. A major portion of this effort is devoted to exploration of the nature of nuclear structure and forces through the use of particle accelerators, including very high energy machines. Construction of accelerators, including the multibillion electron volt accelerator now under construction at Brookhaven National Laboratory, will continue in 1957. Major improvements and additions to research facilities at the Oak Ridge and Brookhaven National Laboratories and at the Commission-supported University of California Radiation Laboratory will be initiated in 1957.

In the fields of biology and medicine, the Commission's research consists mainly of studies to determine the



detrimental effects of atomic radiation on plant and animal life, to discover methods of combating such detrimental effects, and increasingly to develop methods of using atomic energy and radioisotopes for the general welfare in the fields of agriculture and medicine. A medical reactor is included in the construction of the medical research center which was initiated in 1956 to replace the existing center at the Brookhaven National Laboratory.

#### DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The largest research programs of the Department are those of the Public Health Service. Significant research is also conducted by the Office of Education, the Food and Drug Administration, and other units.

TABLE 10.—*Expenditures of the Department of Health, Education, and Welfare for research and development*

[In millions]			
Function	1955 actual	1956 estimate	1957 estimate
210 Labor and welfare.....	\$73.5	\$88.7	\$115.9
520 Commerce and housing.....	.3	.1	.....
Total, Department of Health, Education, and Welfare.....	73.8	88.8	115.9

The Public Health Service conducts or supports research in the diagnosis, cause, and treatment of illnesses of the population. Special emphasis upon research problems related to particular diseases is provided through activities of the National Institutes of Health, organized as Institutes for Cancer, Heart, Mental Health, Dental Health, Arthritis and Metabolic Disease, Microbiology, and Neurology and Blindness. Table 11 indicates expenditures of the several institutes as well as other units of the Service.

TABLE 11.—*Expenditures of the Public Health Service for research and development*

[In millions]			
Organizational unit and program	1955 actual	1956 estimate	1957 estimate
National Institutes of Health:			
Cancer.....	\$15.9	\$18.0	\$22.1
Mental Health.....	6.5	8.1	10.1
Heart.....	12.4	14.1	16.6
Dental Health.....	1.3	1.4	2.1
Arthritis and Metabolic Diseases.....	7.9	9.6	11.9
Microbiology.....	5.9	6.6	9.2
Neurology and Blindness.....	6.1	7.7	9.5
Construction of medical and dental teaching and research facilities.....	.....	.....	5.0
Other.....	8.6	9.3	11.0
Bureau of State Services.....	6.4	9.1	10.7
Other, Public Health Service.....	.7	2.0	2.1
Total, Public Health Service.....	71.7	85.9	110.3

The bulk of the increase proposed for 1957 in the National Institutes of Health is for expansion of extramural programs, primarily research grants to medical schools and other research institutions and to individuals. Increased emphasis is being placed on research of a fundamental character. In addition, legislation will be proposed to authorize grants to aid in the construction of medical and dental research and teaching facilities. Intramural expansion is limited to increased utilization of research facilities which will be nearly completed in 1956.

Other units within the Public Health Service provide for research in methods to improve control of infectious and communicable diseases and such environmental

health problems as sanitation, air pollution, and water pollution. Efforts are also directed toward analysis and evaluation of supply, demand, and utilization of professional health personnel, as well as study of many other broad areas affecting the health of the Nation.

Under recent legislation authorizing cooperative research, the Office of Education will enter into contracts and agreements with colleges, universities, and State agencies for the conduct of research on educational problems of nationwide significance. These include problems related to the mentally handicapped, students with special abilities, and juvenile delinquents; recruiting and retaining teachers; school building needs; the effects of population mobility on the schools; the use of television in education; and changing needs for vocational education. In addition the Office conducts research designed to answer questions arising in the daily operation of schools and colleges.

The Food and Drug Administration conducts applied research for the proper discharge of its enforcement obligations. This includes development of improved testing techniques and formulation of standards of purity and safety for foods, drugs, therapeutic devices, cosmetics, and related products.

The Social Security Administration conducts studies relating to the extent of protection which people have under public and private insurance, benefit and assistance programs, and to children's health and welfare.

The Office of Vocational Rehabilitation administers a research and development grant program to increase and extend knowledge of all phases of vocational rehabilitation and to improve and expand the national program of vocational rehabilitation of the handicapped.

The Department also conducts a small amount of research on problems relating to civil defense, under delegation from the Federal Civil Defense Administration, for which expenditures are shown under the Office of the Secretary in 1955 and 1956 and under the Federal Civil Defense Administration in 1957.

#### DEPARTMENT OF AGRICULTURE

The research program of the Department of Agriculture is concerned with the production, storage, distribution, and utilization of agricultural products and with human nutrition and home economics. This program is conducted in facilities operated by the Department, through grants to State agricultural experiment stations, and in cooperative research projects chiefly with these stations.

TABLE 12.—*Expenditures of the Department of Agriculture for research and development*

[In millions]			
Function	1955 actual	1956 estimate	1957 estimate
350 Agriculture and agricultural resources.....	\$65.4	\$80.8	\$91.9
400 Natural resources.....	5.8	7.1	7.5
Total, Department of Agriculture.....	71.2	87.9	99.4

The major portion of this program is administered by the Agricultural Research Service, which engages in or supports research on crops, farm and land management, livestock, agricultural product utilization, and human nutrition and home economics. The budget provides for increases in 1957 for expansion of research conducted by the Department to meet pressing problems of agricultural

production and utilization, and to strengthen the cooperative program at the agricultural experiment stations. These increases are more than offset by decreases in construction of research facilities.

The Agricultural Marketing Service studies means of maintaining and improving quality, reducing costs, and expanding outlets in the marketing of agricultural products.

Research conducted by the Forest Service has four main purposes: To improve forest and range management practices; to develop measures for the protection of forests from fires, insects, and diseases; to improve forest products and lessen waste; and to develop more efficient harvesting and utilization of forest products.

Other research activities are conducted by the Farmer Cooperative Service, which assists farmer-owned cooperatives in improving their business operations; and the Foreign Agricultural Service, which seeks to enlarge foreign markets for American agricultural products.

Expenditures for 1957 also include sums estimated to be expended to accelerate research and extension programs directed toward lower production costs, new uses for farm products, and expanded domestic and foreign markets.

#### NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The National Advisory Committee for Aeronautics conducts basic and applied research to improve the design and performance of aircraft and guided missiles, including research in aerodynamics, powerplants, and aircraft structures.

TABLE 13.—*Expenditures of the National Advisory Committee for Aeronautics for research and development*

[In millions]			
Function and purpose	1955 actual	1956 estimate	1957 estimate
500 Commerce and housing:			
Conduct of research and development.....	\$43.4	\$50.5	\$55.0
Increase of research and development plant.....	30.4	20.5	20.0
Total, National Advisory Committee on Aeronautics..	73.8	71.0	75.0

The Committee is primarily concerned with the problems of military aviation. Because of the importance of this work to other national security programs, an increase in expenditures is projected in 1957. Many of the Committee's findings will be of value to civil aviation as well.

The research program is carried on at the Committee's 3 laboratories and 2 flight stations and involves actual flight tests of piloted and pilotless aircraft, experimentation with the aid of wind tunnels and other specialized equipment, and theoretical studies. Research operations are being initiated during the current year in three large supersonic wind tunnels constructed at the Committee's laboratories under the Unitary Wind Tunnel Plan Act of 1949. Additional facilities proposed in 1957 reflect the emphasis being given to problems of flight at supersonic and hypersonic speeds, such as aerodynamic heating, and problems of higher altitude flight.

#### NATIONAL SCIENCE FOUNDATION

Under its basic legislation enacted in 1950, and Executive Order 10521, issued in 1954, the National Science

Foundation is assuming increasing responsibility for the encouragement and support by the Federal Government of general-purpose, basic research in this country. This support is provided through grants by the Foundation in the mathematical, physical, medical, biological, engineering and related sciences to colleges, universities, and other research institutions.

TABLE 14.—*Expenditures of the National Science Foundation for research and development*

[In millions]			
Function and program	1955 actual	1956 estimate	1957 estimate
210 Labor and welfare:			
Regular activities.....	\$8.2	\$13.1	\$24.3
International Geophysical Year.....	.3	6.5	18.0
Total, National Science Foundation.....	8.5	19.6	42.3

The 1957 budget will permit a substantial increase in the support of individual basic research projects and in the support of special facilities for scientific investigations and experimentation. Such facilities include university computers and nuclear research reactors, biological field stations, the first major radio astronomy center in the Nation, and plans for the development of a new optical astronomy observatory.

In addition to its direct support of research the National Science Foundation is responsible for studying the Nation's research efforts and recommending to the President policies relating to the place of the Federal Government in the encouragement, support, and conduct of research.

As a nonrecurring activity, the Foundation has been assigned the responsibility for supporting the United States program for the International Geophysical Year to be held in 1957-58. This is a worldwide undertaking in geophysical research now involving some 40 countries with cooperating national programs, the findings and data from which will be mutually available for the advancement of the world's knowledge about the earth and its physical characteristics. Expenditures for the International Geophysical Year are estimated to increase substantially in 1956 and 1957 under the proposed schedules for procurement of equipment and the establishment of observation stations.

Included in the expenditures for the regular activities of the National Science Foundation are funds for continuation in 1956 on a greatly reduced basis of the synthetic rubber research program formerly supported by the Federal Facilities Corporation, Treasury Department, as successor to the Reconstruction Finance Corporation.

#### DEPARTMENT OF THE INTERIOR

Research expenditures of the Department of the Interior are primarily for the saline water conversion program, and for the Geological Survey, the Bureau of Mines, and the Fish and Wildlife Service. Substantially increased expenditures are estimated in 1957 for the Geological Survey and the Bureau of Mines to implement the recommendations of the President's Cabinet Committee on Minerals Policy.



TABLE 15.—*Expenditures of the Department of the Interior for research and development*

[In millions]			
Function	1955 actual	1956 estimate	1957 estimate
210 Labor and welfare.....	\$0.3	\$0.3	\$0.3
400 Natural resources.....	28.6	31.6	35.6
Total, Department of the Interior..	28.9	31.9	35.9

The Office of the Secretary coordinates a program to develop low-cost processes for converting saline water to fresh water in quantities sufficient for municipal, industrial, and agricultural use.

The Geological Survey conducts investigations into the nature and occurrence of minerals and mineral fuels and seeks to improve the discovery and development of the Nation's mineral resources. Studies are also made of our water resources looking toward their conservation and improved utilization.

Bureau of Mines research is concerned with the scientific, technological, and economic problems of the mineral industries and improvement of the health and safe working conditions of miners. This research relates to the production, processing, transportation, storage and utilization of fuels, such as coal, petroleum, natural gas, and oil shale and of minerals and metals.

The Fish and Wildlife Service makes basic studies of the fish and wildlife resources of the Nation. It undertakes research to increase the production of various species and to provide protection against their unlimited exploitation and depletion.

Research is also carried on by the Bureau of Reclamation in connection with its construction program, and by the National Park Service which conducts recreational, archeological, and historical studies.

#### DEPARTMENT OF COMMERCE

Research and development in the Department of Commerce is conducted chiefly in the National Bureau of Standards, the Maritime Administration, the Civil Aeronautics Administration, and the Weather Bureau. Smaller amounts are spent by the Patent Office, the Bureau of Public Roads, and the Office of Business Economics.

TABLE 16.—*Expenditures of the Department of Commerce for research and development*

[In millions]			
Function	1955 actual	1956 estimate	1957 estimate
210 Labor and welfare.....	\$4.3	\$5.5	\$8.6
510 Commerce and housing.....	4.3	13.6	12.5
600 General government.....	.6	1.5	2.8
Total, Department of Commerce..	9.2	20.6	23.9

To meet its responsibilities for the establishment, maintenance, and improvement of fundamental standards of measurement, the National Bureau of Standards conducts basic and applied research and development programs in various fields of physical science. An increase in the Bureau's regular expenditures is estimated for the fiscal year 1957 to enable it to serve more adequately the scientific needs of industry, Federal agencies, State and local governments, and universities. Increased expenditures are anticipated also for site acquisition and planning of new laboratory facilities to replace presently inadequate buildings in the District of Columbia.

The research and development activities of the Maritime Administration include a program of Liberty Ship conversion and engine improvement, development of plans for improved ship design, and research and development leading to improved cargo handling equipment and practices.

The Air Navigation Development Board, a joint board of the Commerce and Defense Departments, conducts research and development work on the common system of air navigation and traffic control. In addition, the Civil Aeronautics Administration develops and evaluates aeronautical devices and instruments and performs medical research work on human problems affecting aircraft design and operation.

The comprehensive program of research on hurricanes, tornadoes, and other severe storms which was begun by the Weather Bureau in fiscal year 1956 will be continued and expanded in 1957 to improve the accuracy of forecasts and storm warnings.

#### OTHER AGENCIES

Research is also conducted by a number of other agencies in furtherance of their assigned responsibilities. These include the General Services Administration, Veterans Administration, Treasury Department, the Tennessee Valley Authority, the Federal Civil Defense Administration, the United States Information Agency, the Post Office Department, the Federal Communications Commission, and the Advisory Committee on Weather Control. The General Services Administration research is almost entirely contract research, financed from funds available to the President under the Defense Production Act, and is directed toward increasing the supply of strategic and critical raw materials.

TABLE 17.—*Reconciliation with special analysis D, investment, operating, and other budget expenditures*

[In millions]			
Category	1955 actual	1956 estimate	1957 estimate
Amounts for conduct of research and development included in:			
Expenditures for other developmental purposes: Research and development:			
Direct Federal civil programs.....	\$221	\$271	\$333
Grants-in-aid.....	21	28	32
Major national security.....	1,654	1,697	1,831
Current expenditures for aids and special services: International: Major national security: Funds appropriated to the President: Military assistance <sup>1</sup> .....	3	15	30
Rounding adjustments.....	-1	1	
Total, conduct of research and development.....	1,898	2,012	2,226
Amounts for increase of research and development plant included in:			
Additions to Federal assets:			
Public works—sites and direct construction: Civil: Research and development plant.....	30	24	18
Major national security: Research and development plant.....	134	193	269
Major equipment:			
Civil: Research and development plant.....	10	11	17
Major national security.....	13	16	18
Expenditures for other developmental purposes: Private physical assets:			
Civil:			
Direct Federal programs: Research and development plant.....	( <sup>b</sup> )	( <sup>b</sup> )	6
Grants-in-aid: Research and development plant.....			5
Rounding adjustments.....	-1	1	-2
Total, increase of research and development plant.....	186	245	331

<sup>1</sup> Not separately identified in special analysis D.

<sup>b</sup> Less than one-half million dollars.

## SPECIAL ANALYSIS I—Continued

## NET BUDGET EXPENDITURES FOR CONDUCT OF RESEARCH AND DEVELOPMENT AND INCREASE OF RESEARCH AND DEVELOPMENT PLANT

Based on existing and proposed legislation

Function and agency	Functional code No.	1955 actual			1956 estimate			1957 estimate		
		Conduct of research and development	Increase of research and development plant	Total	Conduct of research and development	Increase of research and development plant	Total	Conduct of research and development	Increase of research and development plant	Total
MAJOR NATIONAL SECURITY										
Department of Defense—Military Function is:										
Department of the Air Force .....	052	\$524,147,000	\$72,329,000	\$596,476,000	\$555,000,000	\$90,000,000	\$645,000,000	\$610,000,000	\$105,000,000	\$715,000,000
Department of the Army .....	053	403,920,000	27,604,000	431,524,000	365,000,000	25,000,000	390,000,000	370,000,000	15,000,000	385,000,000
Department of the Navy .....	054	468,807,000	10,572,000	479,379,000	450,000,000	10,000,000	460,000,000	450,000,000	30,000,000	480,000,000
Atomic Energy Commission .....	056	253,406,000	36,423,000	289,829,000	319,864,000	83,622,000	403,486,000	394,506,000	136,305,000	530,811,000
General Services Administration: From funds appropriated to the President for expansion of defense production .....	057	3,773,156	-----	3,773,156	7,333,000	-----	7,333,000	6,672,000	-----	6,672,000
Department of Defense—Military Assistance: From funds appropriated to the President for military assistance .....	058	2,971,378	-----	2,971,378	15,000,000	-----	15,000,000	30,000,000	-----	30,000,000
Total, major national security .....		1,657,024,534	146,928,000	1,803,952,534	1,712,197,000	208,622,000	1,920,819,000	1,861,178,000	286,305,000	2,147,483,000
VETERANS' SERVICES AND BENEFITS										
Veterans Administration .....	105	5,456,580	-----	5,456,580	5,930,000	-----	5,930,000	6,147,000	-----	6,147,000
INTERNATIONAL AFFAIRS AND FINANCE										
Department of State .....	151	351,405	-----	351,405	362,770	-----	362,770	362,770	-----	362,770
United States Information Agency .....	153	1,551,685	-----	1,551,685	2,151,265	-----	2,151,265	1,305,000	-----	1,305,000
Total, international affairs and finance .....		1,903,090	-----	1,903,090	2,514,035	-----	2,514,035	1,667,770	-----	1,667,770
LABOR AND WELFARE										
Department of the Interior: Bureau of Mines .....	211	339,000	-----	339,000	332,000	-----	332,000	332,000	-----	332,000
Department of Health, Education, and Welfare:										
Social Security Administration:										
Office of the Commissioner .....	212	73,910	-----	73,910	87,008	-----	87,008	104,251	-----	104,251
Bureau of Public Assistance .....	212	93,000	-----	93,000	102,000	-----	102,000	111,000	-----	111,000
Children's Bureau .....	213	82,893	-----	82,893	97,108	-----	97,108	108,673	-----	108,673
Food and Drug Administration .....	213	859,300	-----	859,300	1,084,100	-----	1,084,100	1,249,000	-----	1,249,000
Public Health Service .....	213	67,546,274	4,171,622	71,717,896	81,852,000	4,043,117	85,895,117	103,495,000	1,782,296	105,277,296
Proposed legislation—research and teaching facilities .....									5,000,000	5,000,000
Office of Education .....	214	360,536	-----	360,536	513,452	-----	513,452	2,345,284	-----	2,345,284
National Science Foundation .....	215	8,250,135	254,200	8,504,335	16,958,900	2,618,500	19,577,400	28,929,000	13,376,000	42,305,000
Smithsonian Institution .....	215	198,343	-----	198,343	224,218	-----	224,218	403,291	-----	403,291
General Services Administration .....	215		92	92		-----				
Department of Commerce: National Bureau of Standards .....	215	3,683,137	576,117	4,259,254	4,847,833	657,320	5,505,153	6,116,221	2,471,756	8,587,977
Department of Health, Education, and Welfare: Office of Vocational Rehabilitation .....	217	298,960	-----	298,960	947,350	-----	947,350	1,750,000	-----	1,750,000
Total, labor and welfare .....		81,785,488	5,002,031	86,787,519	107,045,969	7,318,937	114,364,906	144,943,720	22,630,052	167,573,772
AGRICULTURE AND AGRICULTURAL RESOURCES										
Department of Agriculture:										
Agricultural Research Service .....	355	54,376,322	3,164,370	57,540,692	65,022,066	7,173,000	72,195,066	68,977,000	1,577,000	70,554,000
Farmer Cooperative Service .....	355	256,380	-----	256,380	280,000	-----	280,000	307,000	-----	307,000
Agricultural Marketing Service .....	355	7,178,532	-----	7,178,532	7,925,761	-----	7,925,761	8,603,600	-----	8,603,600
Foreign Agricultural Service .....	355	183,300	-----	183,300	183,900	-----	183,900	206,200	-----	206,200
Library .....	355	237,000	-----	237,000	237,000	-----	237,000	250,825	-----	250,825
Proposed for later transmission—departmentwide research and extension .....	355		-----			-----		12,000,000	-----	12,000,000
Total, agriculture and agricultural resources .....		62,231,534	3,164,370	65,395,904	73,648,727	7,173,000	80,821,727	90,344,625	1,577,000	91,921,625



## SPECIAL ANALYSIS I—Continued

## NET BUDGET EXPENDITURES FOR CONDUCT OF RESEARCH AND DEVELOPMENT AND INCREASE OF RESEARCH AND DEVELOPMENT PLANT—Continued

Function and agency	Functional code No.	1955 actual			1956 estimate			1957 estimate		
		Conduct of research and development	Increase of research and development plant	Total	Conduct of research and development	Increase of research and development plant	Total	Conduct of research and development	Increase of research and development plant	Total
NATURAL RESOURCES										
Tennessee Valley Authority.....	401	\$2,092,803	\$65,170	\$2,157,973	\$2,054,000	\$124,000	\$2,178,000	\$2,171,000	\$5,000	\$2,176,000
Department of Defense—Civil Functions.....	401	226,796		226,796	1,828,340		1,828,340	1,560,000		1,560,000
Department of the Interior:										
Office of the Secretary.....	401	422,017		422,017	497,454		497,454	500,000		500,000
Proposed legislation—saline water.....	401				50,000		50,000	150,000		150,000
Bureau of Reclamation.....	401	124,800	16,000	140,800	163,700	15,000	178,700	200,000	17,000	217,000
Department of Agriculture: Forest Service.....	402	5,813,340		5,813,340	7,115,000		7,115,000	7,547,000		7,547,000
Department of the Interior:										
Bureau of Mines.....	403	13,051,000	448,646	13,499,646	12,959,000	231,000	13,190,000	15,199,000		15,199,000
Fish and Wildlife Service.....	404	5,938,176	13,067	5,951,243	8,224,000	251,000	8,475,000	8,328,000	529,000	8,857,000
National Park Service.....	405	82,210		82,210	161,421		161,421	170,421		170,421
Geological Survey.....	409	8,500,000		8,500,000	9,000,000	35,000	9,035,000	10,400,000	140,000	10,540,000
Total, natural resources.....		36,251,142	542,883	36,794,025	42,052,915	656,000	42,708,915	46,225,421	691,000	46,916,421
COMMERCE AND HOUSING										
Department of Commerce: Maritime activities.....	511	280,000		280,000	9,000,000		9,000,000	7,000,000		7,000,000
Treasury Department: Coast Guard.....	511	295,000		295,000	350,000		350,000	350,000		350,000
Department of Commerce:										
Bureau of Public Roads.....	512	669,000		669,000	1,170,000	32,153	1,202,153	1,135,000		1,135,000
Civil Aeronautics Administration.....	513	2,145,423		2,145,423	1,835,684		1,835,684	2,977,204		2,977,204
National Advisory Committee for Aeronautics.....	513	43,389,997	30,406,893	73,796,890	50,500,000	20,500,000	71,000,000	55,000,000	20,000,000	75,000,000
Post Office Department.....	514	244,397		244,397	615,000		615,000	1,770,000		1,770,000
General Services Administration.....	518	87,218		87,218	90,000		90,000	90,000		90,000
Department of Commerce:										
Coast and Geodetic Survey.....	518		437,348	437,348		304,770	304,770			
Office of Business Economics.....	518	796,144		796,144	978,000		978,000	1,176,000		1,176,000
Patent Office.....	518				250,000		250,000	250,000		250,000
Treasury Department: Office of the Secretary: Federal Facilities Corporation.....	518	3,544,939		3,544,939						
Federal Communications Commission.....	519	102,000		102,000	203,000		203,000	285,000		285,000
Federal Civil Defense Administration.....	520	776,577		776,577	1,004,400		1,004,400	1,880,000		1,880,000
Department of Health, Education, and Welfare: Office of the Secretary.....	520	275,000		275,000	100,000		100,000			
Total, commerce and housing.....		52,605,695	30,844,241	83,449,936	66,096,084	20,836,923	86,933,007	71,913,204	20,000,000	91,913,204
GENERAL GOVERNMENT										
Treasury Department: Bureau of Engraving and Printing.....	604	223,000		223,000	303,000		303,000	272,000		272,000
Advisory Committee on Weather Control.....	607	92,190		92,190	256,745		256,745	30,100		30,100
Department of Commerce: Weather Bureau.....	607	590,000		590,000	1,475,000		1,475,000	2,800,000		2,800,000
Total, general government.....		905,190		905,190	2,034,745		2,034,745	3,102,100		3,102,100
Total, all functions.....		1,898,163,253	186,481,525	2,084,644,778	2,011,519,475	244,606,860	2,256,126,335	2,225,521,840	331,203,052	2,556,724,892

## SPECIAL ANALYSIS J

## FEDERAL ECONOMIC STATISTICAL PROGRAMS

This analysis presents a summary of the major economic statistical programs of the Federal Government, showing the amounts provided for these programs for fiscal years 1955 and 1956 and the amounts recommended for 1957. Continuing current statistical programs are shown separately from the periodic censuses, for which expenditures fluctuate widely from year to year. For the current programs, the budget for the fiscal year 1957 includes direct obligations estimated at \$35.1 million—an increase of \$3.2 million over fiscal year 1956. For the periodic census programs, the 1957 budget includes obligations of \$4.8 million, less than half the \$10 million obligated in fiscal year 1956.

A number of recent studies have been concerned with the adequacy of present statistical series to serve the purposes for which they are used, and have focused attention on the need for specific improvements. Recommendations for improvements have been made in the testimony of governmental, business, and labor economists and analysts before the Joint Committee on the Economic Report, and in reports made by the Joint Committee. Specific suggestions were made in the reports of the five committees of expert consultants established by the Federal Reserve Board, at the request of the Joint Committee, to appraise certain statistical fields. Recommendations have also been made by other individuals and organizations within and outside the Government concerned with understanding present and projected levels of the various sectors of our economy. The program of basic economic statistics for 1957 has been formulated in the light of these recommendations. It includes provision for meeting the more urgent needs for improvement in fields where immediate action is feasible.

## CURRENT PROGRAMS

The Government's major current statistical programs are summarized here by broad subject areas, rather than by agency, to give some indication of the interrelationships existing among statistical programs of different agencies and to aid in evaluating the overall statistical program. For each area, the obligations incurred in the fiscal year 1955 and estimated for 1956 and 1957, as well as the agencies concerned, are shown in the following summary:

*Direct obligations for major current statistical programs, by broad subject areas*

[In millions]

Program	1955 actual	1956 estimate	1957 estimate
Labor statistics (Departments of Labor, Commerce, and Agriculture).....	\$5.0	\$6.5	\$6.8
Prices and price indexes (Departments of Labor and Agriculture).....	1.7	2.0	2.0
Construction and housing (Departments of Commerce and Labor).....	.6	.6	1.3
Production and distribution (Departments of Agriculture, Commerce, and Labor).....	10.4	11.7	12.9
Agricultural marketing research (Department of Agriculture).....	5.1	5.8	6.4
Population and vital statistics (Department of Health, Education, and Welfare and Department of Agriculture).....	1.5	1.6	1.8
National income and business financial accounts (Departments of Commerce and Treasury, Federal Trade Commission, Securities and Exchange Commission).....	3.5	3.6	3.9
Total, major current programs.....	27.8	31.9	35.1

<sup>1</sup> Includes \$100,000 to the Department of Commerce for development of electronic equipment.

The programs included in this overall summary are shown by agency in the table at the end of this analysis. They account for most of the basic economic statistics of the Federal Government. Other statistical programs not included in this summary (e. g., those of the Bureau of Employment Security, Social Security Administration, Office of Education, Bureau of Mines, Housing and Home Finance Agency, Interstate Commerce Commission) also contribute importantly to the Government's overall statistical system, primarily as a consequence of statistical data collected in the course of administrative operations.

*Labor statistics.*—This area includes the figures compiled by the Bureau of the Census on the number and characteristics of persons in the labor force, including their employment and unemployment status; by the Bureau of Labor Statistics on employment by industry in nonagricultural establishments, labor turnover, wages, industrial injuries, and related topics; and by the Agricultural Marketing Service on farm labor. Substantial improvement is being made in this area in the current year to provide greater detail and more reliable information on the level and trend of employment and unemployment. This is essential for understanding the current economic situation and for studying the factors which interfere with full employment.

For fiscal year 1957, the increase of about \$300,000 in this area is for a number of programs within the Bureau of Labor Statistics. It provides for extension to additional States of the newly developed cooperative Federal-State program for collecting statistics on labor turnover; for extension and technical improvement in industrial injury statistics; for a study of labor conditions in Hawaii as required by law; and for printing the revised Occupational Outlook Handbook. Provision is also made for preparation of a semimonthly report on employment in manufacturing, because of the needs expressed by economic analysts for more frequent data in this area.

*Prices and price indexes.*—Included in this area are the work of the Bureau of Labor Statistics on consumer prices and wholesale prices and the work of the Agricultural Marketing Service on prices received and paid by farmers. Maintaining the accuracy of these price indexes is essential. They serve as significant general indicators of the state of the economy, and they are also relied on for specific purposes involving large sums of money. The BLS consumer price index, for instance, is used as a factor in adjusting wage rates for millions of workers, and the Department of Agriculture's price indexes are used in determining parity prices and crop loans to farmers.

The increase in this area for fiscal year 1956 provided for a national survey of farmers' expenditures designed to provide new weights for the index of prices paid by farmers and to improve the national and State estimates of farm production expenditures and of net farm income. Field enumeration for this survey will be completed in fiscal year 1956, and the results will be analyzed during fiscal year 1957.

An increase is provided for work in the area of price statistics for 1957 for improvements needed to maintain the BLS consumer price index on a sound basis. The additional funds requested for 1957 would make it possible to collect prices for many items every month rather than every 3 or 4 months, and to improve the techniques used in collecting data on rents. The 1957 increase to BLS, however, is offset by the decrease in funds for the Department of Agriculture's work on prices, as a result of



the completion of the field work for the farm expenditures survey.

*Construction and housing.*—Responsibility for a coordinated program of statistics on construction activity is shared by the Business and Defense Services Administration and the Bureau of Labor Statistics. The need for expanding and improving data in this area has been repeatedly stressed by economic analysts within and outside the Government, and in hearings held by the Joint Committee on the Economic Report.

For the fiscal year 1957 the budget includes an increase of about \$700,000 for this program, designed to meet the most urgent needs for more accurate and detailed measures of activity in this important segment of the economy. Most of this increase (\$600,000) is in the budget for the Business and Defense Services Administration. It provides for improving the soundness of present statistics on new private nonresidential and State and local public construction activity; and for initiating the collection and publication of data on expenditures for alterations and repairs and on materials use. An increase is also included for the Bureau of Labor Statistics to obtain data on labor requirements for construction. Provision is also made for a sample survey of the status of development of plans for various types of public works by State and local governments, to be made by the Bureau of the Census.

The need for more recent information on the number and characteristics of the Nation's housing units is met by inclusion of funds for a national housing inventory in fiscal year 1957, discussed below under Periodic Census Programs. An additional \$175,000 is also included in the 1957 budget for the Housing and Home Finance Agency, which is not included in this summary analysis, to develop information on the factors influencing the current market demand for housing.

*Production and distribution.*—Statistics on production and distribution—the largest area included in this summary of current programs—comprise the current business, industrial, agricultural, and foreign trade statistics compiled by the Bureau of the Census; crop and livestock estimates and economic and statistical analysis of the Agricultural Marketing Service; research on the economics of production by the Agricultural Research Service; and the productivity statistics program of the Bureau of Labor Statistics.

Nearly two-thirds of the 1957 increase of \$1.2 million in this broad area is for expansion of programs in the Department of Agriculture. In the Agricultural Research Service, provision is made for an expanded program of local studies to provide information needed as a basis for action to improve the earning capacity of low-income farm families, and also for increased research and analysis of economic problems confronting farmers in the Great Plains States. In the Agricultural Marketing Service, the 1957 budget allows for further needed improvements in crop and livestock estimates, and for expansion of economic and statistical analyses for specific agricultural products.

The budget for the fiscal year 1957 also includes additional funds for current programs of the Bureau of the Census relating to production and distribution. Of particular importance in terms of overall economic analysis is provision for the initiation of direct monthly estimates of total retail commodity inventories, to supply data needed for better understanding of business trends. Allowance is made for the rise in the costs of compiling foreign trade reports resulting from the increased volume of our exports and imports. Funds are also included for

the compilation and publication of the biennial County Business Patterns published jointly by the Census Bureau and the Bureau of Old-Age and Survivors Insurance, Social Security Administration. This volume shows numbers of employees and taxable payrolls for major kinds of business for each county and State in the United States, and is widely used in market analysis.

A small increase to the Bureau of Labor Statistics provides for case studies of the application of automation at the plant level and for estimating the degree and effect of adoption of specific types of automation on an industry basis.

*Agricultural marketing research.*—The agricultural marketing research activities conducted by the Agricultural Marketing Service are directed primarily toward increasing market efficiency, expanding market outlets, and improving the quality of agricultural products. The specific research projects included in this activity rely heavily on the collection of statistical data.

The increase of about \$600,000 included for this area in the budget for the fiscal year 1957 provides for expanded research on market development, market organization and costs, market transportation and facilities, and evaluation and improvement of product quality for a variety of agricultural products.

*Population and vital statistics.*—The major current program of the Government included under this heading is that of the National Office of Vital Statistics, located in the Public Health Service, which compiles the national statistics of births, deaths, marriages, and divorces. Also included in the area is the work of the Agricultural Marketing Service on various aspects of farm population.

The budget for fiscal year 1957 includes an increase of about \$185,000 for the farm population work of the Agricultural Marketing Service to provide for field studies in selected areas, to be made in cooperation with State agricultural colleges. These studies will be concerned with problems of underemployed rural manpower, ways of improving occupational skills, utilization of health facilities, and effects of extension of social security to farmers.

*National income and business financial accounts.*—The statistical and analytic programs included in this area are those of the Office of Business Economics on preparation of national income and product data, measurement and analysis of current and long-term business trends, and computation of the balance of international payments; of the Internal Revenue Service on tabulations of personal and corporate income tax returns; of the Bureau of the Census on financial and other operations of State and local governments; and of the Federal Trade Commission and the Securities and Exchange Commission on their joint quarterly financial reports program.

The major increase in this area in the budget for the fiscal year 1957 is \$240,000 for the Office of Business Economics to provide for basic improvements in the national accounts and related economic indicators. The additional funds allow for improvements in the estimates of consumer expenditures in the national income and product accounts and in the monthly estimates of manufacturers' inventories, sales and orders; and for remedying certain inadequacies in present estimates of plant and equipment expenditures. Provision is also made for resuming quarterly publication of data on business births and deaths; and investigating the feasibility of improving weekly indicators of current economic change. These improvements have been strongly recommended in recent studies of the statistics needed in interpreting economic trends and determining economic policy.

An increase of about \$25,000 for the Securities and Exchange Commission provides for improvement in the SEC portion of the estimates of expenditures for new plant and equipment (prepared jointly with the Office of Business Economics) and in the SEC portion of the quarterly financial reports program (prepared jointly with the Federal Trade Commission).

## PERIODIC CENSUS PROGRAMS

Legislation enacted in 1950 (Public Law 767, 81st Cong.) provided for a census of governments to be taken for the year 1952 and every fifth year thereafter, to obtain data on taxes and tax valuations, governmental receipts, expenditures, indebtedness, and employees, for States, counties, cities, and other governmental units in the United States. No funds were appropriated for the 1952 census, and there has been no census of governments since 1942. The budget for the fiscal year 1957 includes \$2,100,000 for the 1957 census of governments, of which an estimated \$857,000 will be obligated in fiscal year 1957. This census will make available national, State, and county totals of basic data, and comparative statistics regarding individual governments of significant size.

The budget for 1957 also includes funds for a national housing inventory to be made by the Bureau of the Census. This survey will provide data for the Nation, for regions, and for 35 important metropolitan areas. It will show the number and characteristics of dwelling units in existence and the extent to which the housing supply has been affected in size and quality since the 1950 census of housing by demolition, abandonment, conversion, new construction, modernization, and deterioration.

Censuses of agriculture, business, manufactures and mineral industries covering calendar year 1954 were initiated in fiscal year 1955 and will be completed in fiscal year 1957. Preparatory work for the next censuses of

business, transportation, manufactures, and mineral industries (scheduled to be taken covering the year 1958) will begin in fiscal year 1957, and the 1957 budget includes \$150,000 for this purpose.

*Direct obligations for major economic statistical programs, by agency*

[In millions]

Agency	1955 actual	1956 estimate	1957 estimate
<b>CURRENT PROGRAMS</b>			
Department of Agriculture:			
Agricultural Marketing Service: Marketing research and agricultural estimates	\$10.1	\$11.7	\$12.6
Agricultural Research Service: Economics of production, included under farm and land management research	1.4	1.7	2.2
Department of Commerce:			
Bureau of the Census	6.3	7.3	7.6
Business and Defense Services Administration: Construction statistics, included under industry divisions	.2	.2	.8
Office of Business Economics	.9	1.0	1.2
Department of Health, Education, and Welfare: Public Health Service: National Office of Vital Statistics	1.3	1.4	1.4
Department of Labor:			
Bureau of Labor Statistics	5.4	6.4	7.0
Treasury Department: Internal Revenue Service: Statistical reporting	2.0	1.9	1.9
Federal Trade Commission: Financial reports, included under economic and financial reports	.1	.2	.2
Securities and Exchange Commission: Financial analysis section	.1	.1	.2
Total current programs	27.8	31.9	35.1
<b>PERIODIC CENSUS PROGRAMS</b>			
Department of Commerce: Bureau of the Census:			
Census of Agriculture (1954)	15.2	4.7	.7
Censuses of Business, Manufactures, and Mineral Industries (1954)	7.4	5.3	1.2
Censuses of Business, Transportation, Manufactures, and Mineral Industries (1958)			.2
Census of Governments (1957)			.9
National Housing Inventory			1.8
Total periodic census programs	22.6	10.0	4.8
Total major economic statistical programs	50.4	41.9	39.9



SPECIAL ANALYSIS K  
SELECTED INVESTMENTS AND INTERFUND TRANSACTIONS  
BY AGENCY AND ACCOUNT TITLE

Description	1955 actual	1956 estimate	1957 estimate
<b>INVESTMENTS OF REVOLVING AND TRUST FUNDS IN GOVERNMENT SECURITIES</b>			
<b>Revolving public enterprise funds:</b>			
Independent offices:			
Farm Credit Administration:			
Federal intermediate credit banks.....	\$9,591,100		
Production credit corporations.....	163,200	*\$2,547,000	*\$1,100,000
Federal Home Loan Bank Board: Federal Savings and Loan Insurance Corporation.....	12,750,000	16,500,000	18,300,000
Veterans Administration: Veterans' special-term insurance fund.....	6,564,000	10,626,000	16,085,000
Housing and Home Finance Agency:			
Federal National Mortgage Association: Management and liquidating functions (debentures issued by Federal Housing Administration).....	1,467,500		
Federal Housing Administration.....	94,977,550	66,300,050	80,200,000
Department of Agriculture: Farmers' Home Administration: Farm Tenant-Mortgage insurance fund.....		* 100,000	
Total.....	125,513,350	90,779,050	113,485,000
<b>Trust funds:</b>			
Independent offices:			
Civil Service Commission:			
Civil-service retirement and disability fund.....	312,727,000	499,990,000	511,160,000
Employees life insurance fund (revolving fund).....		2,000,000	1,200,000
Railroad Retirement Board: Railroad retirement account.....	140,648,000	110,660,000	121,537,000
Veterans Administration:			
Adjusted-service certificate fund.....	* 54,000	* 10,000	* 15,000
National service life insurance fund.....	73,149,000	126,372,000	96,000,000
United States Government life insurance fund.....	* 1,315,000	* 10,035,000	* 14,350,000
Department of Commerce: Maritime activities: United States Merchant Marine Academy, Kings Point, N. Y., donations for chapel and library.....	423,650	970	1,000
Department of Defense—Military Functions:			
Department of the Army: Trust funds.....	100		
Department of the Navy: Trust funds.....	17,000		
Department of Health, Education, and Welfare: Public Health Service: Trust funds.....	* 5,000		
Department of Labor: Trust funds, Bureau of Employees Compensation.....	32,350	29,000	29,000
Department of State: Foreign Service retirement and disability fund.....	1,329,000	1,135,540	987,570
Treasury Department:			
Office of the Secretary:			
Federal old-age and survivors insurance trust fund.....	1,240,627,201	1,591,863,350	1,039,086,000
Unemployment trust fund.....	* 545,161,700	177,008,301	4,923,300
Bureau of Accounts: Trust funds.....	* 116,000		
District of Columbia:			
Teachers' retirement and annuity fund.....	1,924,000	1,866,000	1,900,000
Investment accounts.....	11,283,000	15,000,000	15,000,000
Total.....	1,235,508,601	2,515,880,161	1,777,458,870
Total, investments of revolving and trust funds in Government securities (net).....	1,361,021,951	2,606,659,211	1,890,943,870
<b>ISSUANCE (+) AND REDEMPTION (−) OF DEBT OF GOVERNMENT ENTERPRISES TO THE PUBLIC</b>			
<b>Revolving public enterprise funds:</b>			
Independent offices:			
Farm Credit Administration:			
Federal Farm Mortgage Corporation.....	−\$50,100	−\$50,000	−\$50,000
Federal intermediate credit banks.....	68,935,000	43,275,000	31,950,000
Federal Home Loan Bank Board: Home Owners' Loan Corporation.....	−94,600	−100,000	−100,000
Tennessee Valley Authority: Proposed legislation.....			27,500,000
Housing and Home Finance Agency:			
Federal National Mortgage Association: Management and liquidating functions.....	570,374,000		
Federal Housing Administration.....	1− 37,157,600	32,938,564	7,514,400
Total.....	602,006,700	76,063,564	66,814,400
<b>Trust revolving fund:</b>			
Housing and Home Finance Agency: Federal National Mortgage Association: Secondary market operations.....		135,000,000	175,000,000
Total, issuance of debt of Government enterprises to the public.....	602,006,700	211,063,564	241,814,400

\* Deduct, excess of sales and redemptions over investments.

† Includes net issuances of debentures to Federal National Mortgage Association of \$1,467,500.

## SPECIAL ANALYSIS K—Continued

## SELECTED INVESTMENTS AND INTERFUND TRANSACTIONS—Continued

BY AGENCY AND ACCOUNT TITLE—Continued

Description	1955 actual	1956 estimate	1957 estimate
<b>CAPITAL TRANSFERS FROM EXPENDITURE TO RECEIPT ACCOUNTS</b>			
Legislative Branch: Government Printing Office: Government Printing Office revolving fund:			
Payment of earnings to Treasury.....	\$7,434,694	\$2,496,201	\$2,500,000
Independent offices:			
Civil Service Commission: Investigations:			
Payment of earnings to Treasury.....	19,504	8,793	
Repayment of principal to Treasury.....	154	22	
Export-Import Bank of Washington:			
Export-Import Bank of Washington fund: Payment of dividend to Treasury.....	22,500,000	22,500,000	22,500,000
Liquidation of certain Reconstruction Finance Corporation assets: Repayment of investment to Treasury.....	183,105	148,466	145,356
Farm Credit Administration: Federal Farm Mortgage Corporation:			
Payment of dividends to Treasury.....	4,000,000	1,700,000	2,000,000
Repayment of capital stock to Treasury.....			10,000
Federal Civil Defense Administration: Civil defense procurement fund: Repayment of investment to Treasury.....		2,500,000	
Federal Home Loan Bank Board: Federal Savings and Loan Insurance Corporation:			
Repayment of capital stock to Treasury.....	10,208,000	11,932,000	14,058,000
Payment of return on capital stock to Treasury.....	1,546,466	757,241	1,111,300
Small Business Administration: Revolving fund, small defense plants activities: Repayment of investment to Treasury.....			1,359,841
Tennessee Valley Authority: Repayment of investment to Treasury.....	40,465,224	52,263,895	81,587,000
Veterans Administration:			
Canteen service revolving fund: Repayment of investment to Treasury.....	652,392	604,949	432,211
Rental, maintenance, and repair of quarters: Payment of profits to Treasury.....		100	100
Supply fund: Repayment of principal to Treasury.....		1,000,000	3,000,000
Veterans special term insurance fund: Repayment of investment to Treasury.....		250,000	
Vocational rehabilitation, revolving fund: Repayment of investment to Treasury.....		400,000	
General Services Administration:			
Real property activities:			
Cost of maintenance, repair, etc., of improvements, public buildings: Payment of profits to Treasury.....	499,039	552,697	360,000
Maintenance, etc., Lafayette Building, Washington, D. C., public buildings: Payment of profits to Treasury.....	42,372	42,721	36,000
Personal property activities: General supply fund: Payment of earnings to Treasury.....	821,750	976,896	
General activities: Working capital fund: Payment of earnings to Treasury.....	4,943	4,931	2,680
Housing and Home Finance Agency:			
Office of the Administrator: Revolving fund (liquidating programs): Repayment of investment to Treasury.....	60,041,050	47,000,000	33,000,000
Federal Housing Administration: Repayment of investment to Treasury.....	34,775		
Public Housing Administration: United States Housing Act program: Repayment of investment to Treasury.....	128,597	703,060	276,300
Department of Commerce:			
General administration:			
Defense production guaranties: Payment of profits to Treasury.....		5,883	
Working capital fund: Payment of earnings to Treasury.....	100,000		
Maritime activities: Vessel operations revolving fund: Repayment of investment to Treasury.....	10,000,000	10,000,000	
Department of Defense—Civil Functions: Department of the Army: Panama Canal Company: Repayment of investment to Treasury.....	10,000,000		
Department of Health, Education, and Welfare:			
Social Security Administration: Operating fund, Bureau of Federal Credit Unions: Repayment of investment to Treasury.....	25,000	25,000	25,000
Office of the Secretary: Working capital fund: Payment of earnings to Treasury.....		30,000	
Department of the Interior: Bureau of Reclamation: Continuing fund for emergency expenses, Fort Peck project, Montana: Payment of profits to Treasury.....	1,014,908	1,664,445	2,167,664
Department of Justice: Federal Prison Industries, Inc.: Payment of dividends to Treasury.....	1,250,000	2,800,000	2,250,000
Department of State: Maintenance and operation of commissary or mess service: Payment of profits to Treasury.....		213,657	
Treasury Department:			
Office of the Secretary:			
Federal Facilities Corporation: Repayment of investment to Treasury.....	390,000,000	52,773,000	1,200,000
Liquidation of Reconstruction Finance Corporation:			
Liquidation of lending program:			
Dividends paid to Treasury.....	34,288,019		
Payment of profits to Treasury.....	100,000,000	167,511,742	1,825,000
Repayment of capital stock to Treasury.....		21,242,999	24,600,000
Liquidation of World War II assets: Repayment of investment to Treasury.....		17,930,416	5,781,000
Smaller War Plants Corporation: Repayment of investment to Treasury.....		956,509	735,000
Bureau of Engraving and Printing: Bureau of Engraving and Printing fund: Payment of earnings to Treasury.....	42,737		
Total, capital transfers from expenditure to receipt accounts.....	695,302,729	420,995,623	200,962,452



## SPECIAL ANALYSIS L

## COMPARISON OF BUDGET RECEIPTS AND EXPENDITURES BY FUNCTION

FISCAL YEARS 1948 THROUGH 1957

Based on existing and proposed legislation

[In millions]

Description	Actual								Estimate	
	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957
<b>BUDGET RECEIPTS</b>										
Individual income taxes.....	\$20,997	\$17,929	\$17,408	\$23,365	\$29,880	\$32,768	\$32,383	\$31,650	\$33,555	\$35,118
Corporation income and excess-profits taxes.....	10,174	11,554	10,854	14,388	21,467	21,595	21,523	18,265	20,300	20,300
Excise taxes.....	7,402	7,551	7,597	8,693	8,893	9,934	10,014	9,211	9,894	9,887
Employment taxes.....	2,396	2,487	2,892	3,940	4,573	4,983	5,425	6,220	7,420	7,585
Estate and gift taxes.....	899	797	706	730	833	891	945	936	1,025	1,120
Customs.....	422	384	423	624	550	613	562	606	690	700
Miscellaneous receipts.....	3,809	2,072	1,430	1,629	1,803	1,865	2,320	2,566	2,505	2,805
Deduct—										
Transfer to Federal old-age and survivors insurance trust fund.....	1,616	1,690	2,106	3,120	3,569	4,086	4,537	5,040	6,475	6,635
Transfer to Railroad Retirement account, excluding military service credits.....	723	550	550	575	738	620	603	599	625	660
Refunds of receipts (excluding interest).....	2,272	2,838	2,160	2,107	2,302	3,118	3,377	3,426	3,789	3,920
Net budget receipts.....	41,488	37,696	36,495	47,568	61,391	64,825	64,655	60,390	64,500	66,300
<b>BUDGET EXPENDITURES <sup>3</sup></b>										
<b>Major national security:</b>										
051. Direction and coordination of defense.....		7	10	12	13	15	12	13	13	14
052. Air Force defense.....	1,117	1,754	3,600	6,349	12,709	15,085	15,668	16,407	15,960	16,535
053. Army defense.....	5,345	5,245	3,987	7,469	15,635	16,242	12,910	8,899	8,510	8,582
054. Naval defense.....	4,205	4,390	4,103	5,582	10,162	11,875	11,293	9,733	9,435	9,565
055. Other central defense activities.....	269	176	192	353	379	394	452	481	657	651
056. Development and control of atomic energy.....	475	622	550	897	1,670	1,791	1,895	1,857	1,715	1,945
057. Stockpiling and defense production expansion.....	99	299	438	793	966	1,008	1,045	944	713	378
058. Military assistance.....	262	415	130	991	2,442	3,954	3,629	2,272	2,318	2,250
059. Direct forces support.....								19	146	250
Major national security: Department of Defense—Military Functions: Proposed legislation.....										200
Total, major national security.....	11,771	12,907	13,009	22,444	43,976	50,363	46,904	40,626	39,467	40,370
<b>International affairs and finance:</b>										
151. Conduct of foreign affairs.....	163	158	198	190	142	150	130	121	131	143
152. Economic and technical development.....	4,402	5,880	4,442	3,506	2,584	1,960	1,511	1,960	1,813	1,841
153. Foreign information and exchange activities.....	1	15	35	40	99	106	91	100	110	124
Total, international affairs and finance.....	4,566	6,053	4,674	3,736	2,826	2,216	1,732	2,181	2,053	2,108
<b>Veterans' services and benefits:</b>										
101. Veterans' education and training.....	2,506	2,703	2,596	1,943	1,326	659	546	664	725	726
102. Other veterans' readjustment benefits.....	807	631	278	163	122	138	158	150	161	168
103. Veterans' compensation and pensions.....	2,080	2,154	2,223	2,171	2,178	2,420	2,482	2,681	2,818	2,937
104. Veterans' insurance and servicemen's indemnities.....	151	95	480	50	216	102	100	57	110	55
105. Veterans' hospitals and medical care.....	592	737	764	745	784	757	782	727	797	815
106. Other veterans' services and administration.....	518	405	306	270	238	223	188	178	182	178
Total, veterans' services and benefits.....	6,654	6,726	6,646	5,342	4,863	4,298	4,256	4,457	4,793	4,879
<b>Labor and welfare:</b>										
211. Labor and manpower.....	190	211	271	254	275	281	277	328	395	420
212. Public assistance.....	745	931	1,125	1,187	1,180	1,332	1,439	1,428	1,490	1,480
213. Promotion of public health.....	143	174	244	306	330	318	290	275	381	441
214. Promotion of education.....	65	65	73	91	175	288	271	321	277	394
215. General-purpose research, libraries, and museums.....	23	32	77	58	40	36	35	56	64	90
216. Correctional and penal institutions.....	20	23	22	26	21	27	26	28	33	36
217. Other welfare services and administration.....	136	127	151	142	148	144	147	115	127	135
Total, labor and welfare.....	1,322	1,563	1,963	2,065	2,168	2,426	2,485	2,552	2,767	2,995
<b>Agriculture and agricultural resources:</b>										
351. Stabilization of farm prices and farm income.....	92	1,725	1,844	461	46	2,125	1,689	3,508	2,413	1,967
352. Financing farm ownership and operation.....	3	65	146	339	272	109	256	236	214	213
353. Financing rural electrification and rural telephones.....	239	305	293	276	243	239	217	204	223	239

<sup>a</sup> Deduct, excess of repayments and collections over expenditures.<sup>1</sup> Includes adjustment to daily Treasury statement.<sup>2</sup> Includes internal revenue not specifically classified.<sup>3</sup> Expenditures are net of receipts of public enterprise funds. For 1949 and prior years, expenditures include investment in United States securities.<sup>4</sup> Expenditures for Army defense include some expenditures for support of the Air Force financed from 1949 and prior year appropriations.

## SPECIAL ANALYSIS L—Continued

## COMPARISON OF BUDGET RECEIPTS AND EXPENDITURES BY FUNCTION—Continued

FISCAL YEARS 1948 THROUGH 1957—Continued

[In millions]

Description	Actual								Estimate	
	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957
<b>BUDGET EXPENDITURES<sup>2</sup>—Continued</b>										
<b>Agriculture and agricultural resources—Continued</b>										
354. Conservation and development of agricultural land and water resources.....	\$285	\$241	\$337	\$346	\$341	\$317	\$244	\$286	\$314	\$334
355. Research, and other agricultural services.....	146	178	163	150	143	145	150	177	212	211
New agricultural measures—soil bank and accompanying proposals.....										400
<b>Total, agriculture and agricultural resources.....</b>	<b>575</b>	<b>2,512</b>	<b>2,783</b>	<b>650</b>	<b>1,045</b>	<b>2,936</b>	<b>2,557</b>	<b>4,411</b>	<b>3,376</b>	<b>3,364</b>
<b>Natural resources:</b>										
401. Conservation and development of land and water resources.....	505	756	884	948	1,038	1,122	960	815	729	690
402. Conservation and development of forest resources.....	61	66	78	81	95	107	117	118	139	144
403. Conservation and development of mineral resources.....	26	29	34	36	35	38	37	37	45	52
404. Conservation and development of fish and wildlife.....	12	18	23	26	30	34	38	43	44	47
405. Recreational use of natural resources.....	17	19	24	30	33	30	33	35	52	59
409. General resource surveys and administration.....	17	20	22	23	32	34	35	34	35	39
<b>Total, natural resources.....</b>	<b>638</b>	<b>908</b>	<b>1,065</b>	<b>1,143</b>	<b>1,264</b>	<b>1,364</b>	<b>1,220</b>	<b>1,081</b>	<b>1,045</b>	<b>1,031</b>
<b>Commerce and housing:</b>										
511. Promotion of water transportation.....	405	413	399	402	522	567	466	469	567	629
512. Provision of highways.....	351	453	498	455	470	572	586	647	790	844
513. Promotion of aviation.....	136	191	213	222	237	239	275	253	263	309
514. Postal service.....	304	530	593	626	740	659	312	356	483	117
515. Community development and facilities.....	35	<sup>a</sup> 72	<sup>a</sup> 2	8	15	45	37	56	50	96
516. Public housing programs.....	98	42	<sup>a</sup> 37	124	148	29	<sup>a</sup> 401	<sup>a</sup> 115	53	83
517. Other aids to housing.....	<sup>a</sup> 51	313	307	469	511	413	<sup>a</sup> 142	270	<sup>a</sup> 62	<sup>a</sup> 221
518. Other aids to business.....	52	112	100	<sup>a</sup> 45	<sup>a</sup> 169	<sup>a</sup> 111	<sup>a</sup> 330	<sup>a</sup> 404	<sup>a</sup> 105	48
519. Regulation of commerce and finance.....	56	63	63	76	187	135	45	38	41	43
520. Civil defense.....					33	51	60	42	59	90
521. Disaster insurance, loans, and relief.....	20				28	12	1	12	43	32
<b>Total, commerce and housing.....</b>	<b>1,406</b>	<b>2,044</b>	<b>2,133</b>	<b>2,338</b>	<b>2,722</b>	<b>2,612</b>	<b>909</b>	<b>1,622</b>	<b>2,182</b>	<b>2,071</b>
<b>General government:</b>										
601. Legislative functions.....	34	37	46	50	50	49	49	60	87	111
602. Judicial functions.....	20	21	27	30	30	29	29	31	39	42
603. Executive direction and management.....	7	9	10	17	14	11	11	12	13	13
604. Federal financial management.....	416	378	390	413	438	442	449	431	482	479
605. General property and records management.....	379	170	137	181	232	185	155	164	171	224
606. Central personnel management and employment costs.....	276	259	347	351	368	387	93	115	335	398
607. Civilian weather services.....	21	24	24	24	26	28	26	25	36	36
608. Protective services and alien control.....	98	104	109	126	176	147	160	157	189	185
609. Territories and possessions, and the District of Columbia.....	20	21	22	22	50	55	53	67	76	82
610. Other general government.....	6	53	74	116	79	140	213	139	182	187
<b>Total, general government.....</b>	<b>1,276</b>	<b>1,076</b>	<b>1,186</b>	<b>1,330</b>	<b>1,464</b>	<b>1,474</b>	<b>1,239</b>	<b>1,201</b>	<b>1,611</b>	<b>1,757</b>
<b>Interest:</b>										
651. Interest on the public debt.....	5,188	5,352	5,720	5,615	5,853	6,504	6,382	6,370	6,800	7,000
652. Interest on refunds of receipts.....	57	87	93	93	76	75	83	62	69	60
653. Interest on uninvested funds.....	4	6	4	6	5	5	5	5	6	6
<b>Total, interest.....</b>	<b>5,248</b>	<b>5,445</b>	<b>5,817</b>	<b>5,714</b>	<b>5,934</b>	<b>6,583</b>	<b>6,470</b>	<b>6,438</b>	<b>6,875</b>	<b>7,066</b>
<b>Reserve for contingencies.....</b>									100	225
<b>Adjustment to daily Treasury statement basis.....</b>	<b>-388</b>	<b>+272</b>	<b>+330</b>	<b>-705</b>	<b>-857</b>					
<b>Total, net budget expenditures.....</b>	<b>33,069</b>	<b>39,507</b>	<b>39,606</b>	<b>44,058</b>	<b>65,408</b>	<b>74,274</b>	<b>67,772</b>	<b>64,570</b>	<b>64,270</b>	<b>65,865</b>
<b>Budget surplus (+) or deficit (-).....</b>	<b>+8,419</b>	<b>-1,811</b>	<b>-3,111</b>	<b>+3,510</b>	<b>-4,017</b>	<b>-9,449</b>	<b>-3,117</b>	<b>-4,180</b>	<b>+230</b>	<b>+435</b>
<b>MEMORANDUM</b>										
Capital transfers from expenditure to receipt accounts.....	\$263	\$802	\$276	\$208	\$268	\$265	\$364	<sup>§</sup> \$695	<sup>§</sup> \$421	<sup>§</sup> \$201
Refunds of receipts (excluding interest).....	2,272	2,838	2,160	2,107	2,302	3,118	3,377	3,426	3,789	4,050
Investments of Government-owned corporations and enterprises in United States securities.....			11	104	101	79	<sup>a</sup> 77	<sup>§</sup> 126	<sup>§</sup> 91	<sup>§</sup> 113

<sup>a</sup> Deduct, excess of repayments and collections over expenditures.<sup>§</sup> Expenditures are net of receipts of public enterprise funds. For 1949 and prior years, expenditures include investments in United States securities.<sup>§</sup> See special analysis K for detail.



*Changes in the functional classification from the 1956 budget to the 1957 budget*

[Former subcategories marked by an asterisk (\*) are distributed to two or more new subcategories]

*Classification used in the 1957 budget**Classification used in the 1956 budget***Major national security:**

057. Stockpiling and defense production expansion.....	057. Strategic and critical materials. *506. Promotion of defense production and economic stabilization—Funds appropriated to the President: Expansion of defense production.
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**Labor and welfare:**

211. Labor and manpower.....	551. Mediation and regulation of labor relations. 552. Unemployment compensation and placement activities. 553. Labor standards and training. 554. Labor information, statistics, and general administration. 555. Defense production activities. 556. Military manpower selection.
212. Public assistance.....	202. Public assistance. 204. Work relief and direct relief. 206. Promotion of public health.
213. Promotion of public health.....	*203. Aid to special groups—Health, Education, and Welfare: Indian health facilities and activities; Salaries and expenses, Children's Bureau.
214. Promotion of education.....	301. Promotion of education. *302. Educational aid to special groups—Howard University. *203. Aid to special groups—Interior: Indian education and welfare.
215. General-purpose research, libraries, and museums.....	303. Library and museum services. 301. General-purpose research.
216. Correctional and penal institutions.....	207. Prisons and probation. 201. Retirement and dependents' insurance.
217. Other welfare services and administration.....	*203. Aid to special groups—exclusive of items included in 213 and 214 above. *302. Educational aid to special groups—exclusive of Howard University (214). *605. Other central services—Health, Education, and Welfare: Surplus property utilization. Also: Health, Education, and Welfare items from 610.

**Natural resources:**

409. General resource surveys and administration.....	407. Defense production activities. 409. General resource surveys. Also: Interior items, other than Indian lands and claims, from 610.
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**Commerce and housing:**

511. Promotion of water transportation.....	451. Promotion of the merchant marine. 452. Provision of navigation aids and facilities.
512. Provision of highways.....	453. Provision of highways.
513. Promotion of aviation.....	454. Promotion of aviation.
514. Postal service.....	457. Postal service.
515. Community development and facilities.....	254. Provision of community facilities. 255. Urban development and redevelopment.
516. Public housing programs.....	251. Public housing programs.
517. Other aids to housing.....	252. Aids to private housing. 253. Research and other general housing aids. 456. Other services to transportation. 504. Business loans and guaranties.
518. Other aids to business.....	*503. Promotion or regulation of trade and industry—except Federal Trade Commission and Justice: Antitrust Division (519). *506. Promotion of defense production and economic stabilization—except Funds appropriated to the President: Expansion of defense production (057) and Commerce: Export control and defense production items (519). Also: Commerce items, other than Weather Bureau, from 610.
519. Regulation of commerce and finance.....	455. Regulation of transportation. 458. Regulation of communication. 501. Promotion or regulation of financial institutions. *503. Promotion or regulation of trade and industry—Federal Trade Commission and Justice: Antitrust Division. *506. Promotion of defense production and economic stabilization—Commerce: Export control and defense production items.
520. Civil defense.....	256. Civil defense.
521. Disaster insurance, loans, and relief.....	258. Disaster loans and relief. 505. War damage insurance.

**General government:<sup>1</sup>**

605. General property and records management.....	*605. Other central services—General Services Administration items and Central Intelligence Agency building. Also: General Services Administration items from 610.
606. Central personnel management and employment costs.....	205. Accident compensation. 606. Retirement for Federal civilian employees. 607. Unemployment compensation for Federal civilian employees.
607. Civilian weather services.....	*605. Other central services—Civil Service Commission items. Commerce: Weather Bureau (from 610). Advisory Committee on Weather Control (from 603).

<sup>1</sup> The following additional items have been reclassified within the major function:

1957 classification

1956 classification

Legislative branch: Government Printing Office:

Congressional printing and binding.....

601. Legislative functions.....

All other.....

610. Other general government.....

605. Other central services.

Justice:

General legal activities and witness fees.....

608. Protective services and alien control.....

605. Other central services.

General administration.....

608. Protective services and alien control.....

610. Other general government.

Interior: Commission of Fine Arts.....

610. Other general government.....

605. Other central services.







